

**PRINCE GEORGES PLAZA PROFESSIONALPARK, INC CONDOMINIUM ASSOCIATION-  
CONDOMINIUM RESALE CERTIFICATE**

Condominium Certificate concerning **Condominium Unit C-205, in Building C of Prince Georges Plaza Professional Park, a condominium project, located at 3311 Toledo Terrace, City of Hyattsville, Prince George's County, State of Maryland**, on behalf of the condominium owners Association (the Association) by the Association's governing body (the Board).

- A. The Declaration does not contain a right of first refusal, but does contain a restraint that restricts the right to transfer the Unit with a duly recorded lien against the Unit in favor of the Association.
- B. The periodic common expense assessment for the Unit is **\$150.40 per Month**, subject to escalation, and modification terms in Association By Laws.
- C. There are common expenses, fees, special assessments, and late fees due and unpaid by the Seller to the Association in the sum of \$0.00, said fees must be paid at or prior to closing sale. If any sums due and owing are unpaid, Seller and Buyer Acknowledge by Receipt of this Certificate that a real property lien shall attach to the property in the aforementioned amount.
- D. Capital expenditures approved by the Association for the next 12 months are approximately \$30,000.00.
- E. Reserves for capital expenditures are approximately \$15,000.00.
- F. The current operating budget of the Association is on file with Management Company Agent previously supplied to the seller.
- G. The amount of unsatisfied judgments against the Association is \$0.00.
- H. There are not any suits pending against the Association.
- I. The Association does provide insurance coverage for the benefit of unit owners, certificate of coverage, and summary of coverage is on file with Management Company Agent disclosed herein.
- J. The Board has no knowledge of alterations or improvements to the Unit or to the limited common elements assigned to the Unit or any portion of the project that violate any provision of the Declaration, by-laws or rules of the Association that have not been disclosed via correspondence to the Unit Owners. Known violations will be supplemented as necessary, or requested.
- K. The Board has not received notice from a governmental authority concerning violations of health or building codes with respect to the Unit, the limited common elements assigned to the Unit, or any other portion of the condominium project.
- L. The name, mailing addresses and telephone number of the Association's managing agent is: Sushrat Raizada, Raizada Management Company, 13106 Bay Hill Drive Beltsville, Maryland 20705 (301) 704-0084.

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Prince Georges Plaza Professional Park, Inc. Condominium Association Board d/b/a Toledo Terrace Condominium Association Board, by their COUNSEL AND AUTHORIZED AGENT

Received: \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Buyer  
By: \_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
Date Phone No

CERTIFICATE OF RESALE PREPARED IN ACCORDANCE WITH INFORMATION DULY PROVIDED IN ACCORDANCE WITH THE MARYLAND CONDOMINIUM ACT BY THE COUNCIL OF UNIT OWNERS AS REPRESENTED BY THE DULY ELECTED BOARD MEMBERS TO THEIR LEGAL AGENT BY HIS SIGNATURE HEREIN.

**Raizada Property Management**

Agent: Toledo Terrace Condo Association Hyattsville, Maryland  
13106 Bay Hill Drive,  
Beltsville, Maryland 20705  
Tel: 301-704-0084  
Fax-301-937-1486-pl call before faxing, Thanks!

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Monthly Condo fee have been able to collect-----\$150.40 Till January, 31st-2012

-Said fees must be paid at or prior to closing cost. If any Sums due and owing are unpaid, Seller And Buyer Acknowledge by receipt of this memo that a real property lien shall attached to Property in the aforementioned amount.

-The Board has no knowledge of alterations or improvements to the Unit or to the limited Common Elements assigned to the Unit or any portion of the project that violate any provision of the the declaration, by -laws or rules of the association that have not been disclosed via Correspondence to the Unit Owners. Known violations will be supplemented as necessary or requested.

-Reserves for capital expenditures are approximately \$15000.00

-The current operating Budget of the association is on file with the management or in the office Of the President of the Association.

-There are not any Suits pending against the Association as per recent knowledge and belief. You must have the new owner sign and date to acknowledge the receipt of this memo and return to the property manager, and notify this office of the new owner.

-Any question or Comment please , write or E-mail to :-Raizada1950@gmai


**Acknowledgement of Receipt**

X New Owner-----

X Sign/Date-----

X Seller Sign/Date-----

As requested  
Sincerely



Raizada Management LLC, 13106 Bay Hill Drive,  
Beltsville, MD 20705

1/14/2012

**RESOLUTION OF NEW BYLAWS OF THE COUNCIL OF UNIT OWNERS  
OF PRINCE GEORGE'S PLAZA CONDOMINIUM ASSOCIATION**

**ARTICLE 1  
CONDOMINIUM RESOLUTION**

Section 1.1. *Resolution.* This RESOLUTION made this 2nd of March, 2007, by Prince Georges Plaza Condominium Association, hereinafter sometimes called the "Declarant" Whereas, the Declarant established full management authority by Council of Unit Owners over Prince George's Plaza Professional Park, a Condominium pursuant to Title 11, Section 11-101, et. seq. of annotated Code of Maryland, Real Property Article, hereinafter called "the Act", as reflected in the recordation among Land Records for Prince Georges County, Maryland of a Declaration, hereinafter called "the Declaration", and plat entitled "Prince George's Plaza Professional Park Condominium", hereinafter called "the Plat", in Liber 6318 at folio 171 and Plat Book NLP: 26 at Plat 72 et. seq., the Council of Unit Owners, in furtherance of Sections 11-109(d) and 11-110 of Maryland Condominium Act hereby adopt the following Bylaws, which shall supersede, all other Bylaws, Rules and Regulations, and Administrative Resolutions.

Section 1.2. *Definitions.* In these Bylaws, all words shall have the same meanings as designated in the Declaration unless otherwise apparent from the context or as otherwise set forth herein.

Section 1.3. *Applicability of Bylaws.* The provisions of these Bylaws are applicable to the Association and to the Condominium, All present and future Unit Owners, lessees and occupants of Units, and any other persons who may use the Condominium or the facilities of the Condominium in any manner, are subject to these Bylaws, the Declaration and the Rules and Regulations which may be promulgated by the Board of Directors from time to time. The acceptance of a deed of conveyance to a Unit shall constitute an agreement that these Bylaws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified and will be complied with.

**ARTICLE 2  
COUNCIL OF UNIT OWNERS**

Section 2.1. *Purpose and Status of Association.* The purpose of the Association shall be to operate and maintain the Condominium for the benefit of the Unit Owners and to exercise the powers conferred upon it by the Act and these Bylaws. The Association shall be an unincorporated entity. These By-Laws supersede any and all former By-Laws. These By-Laws also supersede any and all Rules, in so far as the provisions hereunder are contradictory, or more restrictive.

Section 2.2. *Name and Mailing Address.* The Association hereby organized and formed for the purposes set forth above shall be known as "Council of Unit Owners of Prince George's Plaza". Unless changed from time to time by the Board of Directors, the office and mailing address of the Association and the Board of Directors shall be the same as the Managing Agent for the Association: **Raizada Property Management**

Section 2.3. *Powers of the Association.* The Association shall have all of those powers enumerated in the Declaration and these Bylaws, All powers residing in the Association, except for such as are in the Act, the Declaration or these Bylaws expressly reserved to the Association shall be delegated to and exercised by the Board of Directors of the Association and/or the Managing Agent employed by the Board of Directors on behalf of the Association.

Section 2.4. *Members.* The Association shall have as its members every Unit Owner; provided, however, that any person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who or which holds such interest solely as security for the performance of an obligation shall not be a member solely on account of such interest.

Section 2.5. *Annual Meetings.* On December 15<sup>th</sup> of 2006, or the first weekday thereupon preceding, at 1:00 PM in the Afternoon, at the designated address of the Association, the Condominium Association shall notify the Unit Owners and a meeting of the Association shall be held for the purpose of electing members to the Board of Directors. Notice of such meeting shall be given in accordance with the provisions of Section 2.8 Official Copy Bears The Langley Law Group Raised Seal on Each Page, and Original Signature Page

of this Article 2. Subsequent annual meetings of the Association should be held on the same date of each year as the first annual meeting or any other reasonably similar date as determined by the Board of Directors. Subsequent annual meetings of the Association shall be held for the purpose of electing Directors to succeed those whose terms shall have expired as of the date of such annual meetings, and for the transaction of such other business as may come before the meeting.

*Section 2.6. Special Meetings.* It shall be the duty of the President of the Association to call a special meeting of the Association (a) if so directed by resolution of the Board of Directors, or (b) upon a petition signed and presented to the Secretary of the Association by Unit Owners having not less than fifty percent (50%) of the total authorized votes of all Unit Owners; provided, however, that except on resolution of the Board of Directors, no special meetings shall be called prior to the first annual meeting of the Association as hereinabove provided for. No business shall be transacted at a special meeting of the Association except such as shall have been stated in the notice thereof.

*Section 2.7. Place and Timing of Meetings.* Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the greatest number of Unit Owners as may be designated in the notice of meeting by the Secretary. Meetings shall not be held on Saturday or Sunday.

*Section 2.8. Notice of Meetings.* It shall be the duty of the Secretary to provide notice, in accordance with Article 13, Section 13.1 of these Bylaws, of each annual or special meeting of the Association at least ten (10) days, but not more than ninety (90) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the address shown on the Association Roster. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these Bylaws, the notice of meeting shall be given at least thirty (30) days prior to such meeting. Attendance by a Unit Owner at a meeting in person or by proxy shall constitute waiver of notice of the time, place and purposes of such meeting. All meetings of the Association shall be held at places and times convenient to the greatest number of Unit Owners.

*Section 2.9. Adjournment of Meeting.* If any meeting of the Association cannot be held because a quorum of members has not attended, a majority of the Unit Owners present may adjourn the meeting and call for an additional meeting provided at least fifteen (15) days notice of the time, place and purpose of the additional meeting is given to all Unit Owners. Notwithstanding, if a quorum is not obtained, the Association may proceed with an additional meeting in accordance with the requirements of Section 5-206 of the Corporations and Association Article; Annotated Code of Maryland, as amended, so long as the notice of meeting meets the requirements of such statutory provision.

*Section 2.10. Voting.*

(a) Each Unit Owner, or, subject to the proxy limitations set forth below, a person designated by such Unit Owner to act as proxy on his or her behalf (and who need not be a Unit Owner), shall be entitled to cast the vote appurtenant to his or her Unit at all meetings of the Association. The designation of any such proxy shall be made in writing and filed with the Secretary, in a form approved by the Board of Directors, which approval may not be unreasonably withheld, before the appointed time of each meeting. Each proxy shall be revocable at any time by written notice to the Secretary by the Unit Owner who so designated the proxy, and shall automatically expire one hundred eighty (180) days following its issuance unless granted to a mortgagee or lessee. Proxies may be utilized to establish a quorum pursuant to Section 2.13 of this Article 2 and may be utilized to vote on any other matter at the meeting of the Association; provided, however, that an undirected proxy may not be utilized to vote for nominees to the Board of Directors of the Association.

(i) In the case of a Unit which is owned by more than one person or entity, anyone or all of such owners may be present at any meeting of the Association and (those constituting the group acting unanimously) may vote or take any other action as a Unit Owner, either in person or by proxy. Such multiple owners shall be entitled to cast, in the aggregate and as a single block, the vote allocated to the Unit. If such multiple owners shall be unable to agree upon their vote upon any subject at any meeting, they shall either designate a third party to cast their vote or shall lose their right to vote on such subject. If one or more, but less than all of such multiple owners shall be present at a meeting, either

in person or by proxy, the collective vote of the one or more present shall be the vote of all of the owners of the Unit.

(ii) A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. For abandoned Units, or Units subject to a lien hold by the association, the Vote for that Unit shall be cast by the Legal Representative of the Association effecting such lien.

(iii) In the case of a Unit which is owned by a corporation, partnership, limited liability company, or other entity (non-natural person), other than a Unit owned in a fiduciary capacity as addressed above, such entity shall file with the Association a certificate identifying the authorized representative to serve as the voting member for the entity. Such authorized representative shall be authorized to vote on behalf of the entity and shall be authorized to execute a proxy on behalf of such entity for purposes of voting on Association matters. The Association may, but shall have no responsibility to, investigate the authenticity of the certificate. In the event that the entity shall fail to file the requisite certificate, the entity's president, vice president, secretary or managing member may serve as the voting member on behalf of the entity, subject to reasonable evidence of such office as required by the Association.

(iv) Whenever the vote of the Unit Owners at a meeting is required or permitted to be taken by any provisions of the Act, the Declaration or by these Bylaws, the meeting and vote of Unit Owners may be dispensed with if all of the Unit Owners who would have been entitled to vote thereat upon the action, if such meeting were held, consent in writing to such action being taken.

(b) No Unit Owner shall be entitled to vote at a meeting of the Association unless and until he or she (1) shall have furnished the Association with his or her name and current mailing address and the name and current mailing address of his or her mortgagee(s), if any, for listing on the Association Roster in accordance with Section 11-109(c) of the Act, and (2) is current in the payment of the monthly installment of his or her assessments in accordance with Article 5, Section 5.6, of these Bylaws, provided that a Unit Owner that is not current in the payment of such assessments shall not be entitled to vote at any meeting of the Association if the Unit Owner is sixty (60) days or more delinquent in the payment of any installment or the Council of Unit Owners has recorded a statement of condominium lien on that Unit Owner's Unit and the amount necessary to release the lien has not been paid at the time of the meeting.

(c) Voting by Percentage Interest in the Common Elements. The percentage interest in the Common Elements, in the Common Expenses and Common Profits of the Council of Unit Owners and the votes appurtenant to each unit are set forth hereunder:

<u>Building No. A.</u>		
Unit Number		Percentage Interest
LL001	1017	2.3403
LL-02	1166	2.6831
LL-03	1017	2.3402
LL-04	1130	2.6003
LL-05A	1329	3.0582
LL-06A	1152	2.6509
A-101	2634	6.0612
A-102	4533	10.5461
A-201	2605	5.9944
A-202	2224	5.1177
A-203	2370	5.4537
<u>Building No. B</u>		
B-101	1175	2.7038
B-102	1668	3.8383
B-103	773	1.778
B-104	1025	2.3587
B-201	1180	2.7153
B-202	1285	2.9569
B-203	1182	2.7199

B-204	1026	2.361
<b><u>Building No. C</u></b>		
C-101	1512	3.4793
C-102	1375	3.164
C-103	1178	2.7107
C-104	1276	2.9362
C-105	1043	2.4001
C-201	1515	3.4662
C-202	1518	3.4931
C-203	1460	3.3355
C-204	1006	2.299
C-205	1033	2.3771

*Section 2.11. Open Meetings.* All meetings of the Association shall be open to all owners (and if the Unit Owner is an entity, such entity's authorized representative) and occupants of Units or their agents (and other interested parties in the discretion of the Board of Directors or as required by law).

*Section 2.12. Majority of the Unit Owners.* As used in these Bylaws, the term "majority of the Unit Owners" shall mean those Unit Owners having more than fifty percent (50%) of the total authorized votes of all Unit Owners present, in person or by proxy, and voting at any meeting of the Association.

*Section 2.13. Quorum.* Except as otherwise provided in these Bylaws or in the Act, the presence in person or by proxy of Unit Owners having more than twenty-five percent (25%) of the total authorized votes of all Unit Owners constitutes a quorum at all meetings of the Association.

*Section 2.14. Majority Vote.* The vote of Unit Owners of Units to which more than fifty percent (50%) of the votes present appertain, in person or by proxy, at a meeting of the Association at which a quorum is present will be binding upon all Unit Owners for all purposes, except where in the Declaration, under the Act or pursuant to these Bylaws a higher percentage vote is required.

*Section 2.15. Liquidation Rights.* In the event of any voluntary or involuntary dissolution of the Association, each Unit Owner shall be entitled to receive out of the assets of the Association available for distribution to the members thereof an amount equal to his or her Percentage Interest in the Common Profits and Common Expenses of the Association.

### **ARTICLE 3** **BOARD OF DIRECTORS**

*Section 3.1. Number and Qualification.* The affairs of the Association shall be governed by a Board of Directors acting on behalf of the Association. Until the first annual meeting of the Association as provided for in Article 2, Section 2.5, of these Bylaws, and thereafter until their successors shall have been elected by the Unit Owners, the Board of Directors shall consist of three (3) Directors to be designated by the Condominium Association. Thereafter, the Board of Directors shall be composed of an uneven number of not less than three (3) or more than five (5) Directors, all of whom shall be elected by the Unit Owners. To qualify for election, Directors must either be Unit Owners or designees of the Condominium Association (for so long as the Condominium Association shall be a Unit Owner). At the first annual meeting of the Association the number of Directors shall be established by the vote of a majority of the Unit Owners and the number of Directors may be changed at any subsequent annual meeting of the Association by the vote of a majority of the Unit Owners, subject to the limitations stated in this Section; provided, however, that any change in the number of Directors shall not operate to curtail or extend the term of office of any incumbent Director. Within one hundred twenty (120) days from the date that deeds to Units representing seventy-five percent (75%) of the Units within the Condominium have been delivered by the Condominium Association and title closed thereon, or five (5) years from the date of recordation of the Declaration, whichever occurs earlier, the Unit Owners other than the Condominium Association shall elect a majority of the members of the Board of Directors. The foregoing shall not preclude the Unit Owners other than the Condominium Association from electing a majority of the members of the Board of Directors at an earlier date.

*Section 3.2. Powers and Duties.* The Board of Directors shall have and shall exercise the powers and duties of the Association as set forth in Article 2, Section 2.3 hereof, and may do all such acts and things except as by law or by the Declaration or by these Bylaws may not be, or have not been, delegated to the Board of Directors by the Unit Owners. Without limiting the generality of the foregoing, the Board of Directors' powers shall include the following:

- (a) Operation, care, upkeep and maintenance of the Common Elements and those portions of the Units for which the Association has exclusive control.
- (b) Determination of the Common Expenses required for the affairs of the Association and determination of charges for the use of the Reserved Common Elements, if any, designated by the Board of Directors. The Board shall also have the power to establish reasonable move-in and move-out fees and reasonable fees for the short term rental of Common Element facilities, subject to duly adopted Rules and Regulations.
- (c) Collection of the Common Expenses from the Unit Owners.
- (d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.
- (e) Opening of bank accounts on behalf of the Association and designating the signatories required therefore.
- (f) Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Directors, or its designee, corporate or otherwise; on behalf of the Association.
- (g) Obtaining of insurance for the Condominium.
- (h) Making of repairs, additions, replacements and improvements to or alterations of the Common Elements in accordance with the other provisions of these Bylaws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.
- (i) To sue and be sued, complain and defend, or intervene in litigation or administrative proceedings on behalf of two or more Unit Owners, but only with respect to matters affecting the Common Elements and other components for which the Council has the responsibility to maintain, repair and replace pursuant to the Declaration and these Bylaws, and subject to the requirements of Article 12 hereof entitled "Dispute Resolution".
- (j) Enacting uniform Rules and Regulations from time to time which govern the use and operation of the Condominium, as well as the conduct and the enjoyment of the Unit Owners; provided, however, that such Rules and Regulations are adopted in accordance with the Act and Article 5, Section 5.15 of these Bylaws or the Declaration; and provided further that no such Rules and Regulations shall be so construed so as to impair in any manner the lien of any mortgage or deed of trust with respect to any Unit and/or the Common Elements if such Rules and Regulations are promulgated after the recordation of said mortgage or deed of trust.
- (k) Enforcing obligations of Unit Owners, allocating Common Profits and Common Expenses, if any, and doing anything and everything else necessary and proper for the sound management of the Condominium. In this connection, the Board of Directors shall have the power to enforce the provisions of the Act, the Declaration, Bylaws and Rules and Regulations and, if permitted by law, to levy reasonable fines against Unit Owners for violations of the same after notice and an opportunity to be heard is given pursuant to the Act. Collection of fines may be enforced against the Unit Owner or Unit Owners involved as if the fines are a Common Expense owed by the particular Unit Owner or Unit Owners. Where a Unit Owner persists in violating the Declaration, these Bylaws or the Rules and Regulations, the Board of Directors may require such Unit Owner to post a bond, satisfactory to it, to secure future compliance with the Rules and Regulations.



(l) Controlling the use of all Common Elements.

(m) Establishing reasonable reserve funds for emergencies and unforeseen contingencies and for the repair and replacement of Common Elements.

(n) Monitoring compliance with the requirements of any conservation easements and other restrictions imposed on the Common Elements.

(o) Notwithstanding any provision of these Bylaws to the contrary, the Board of Directors is hereby irrevocably appointed as attorney-in-fact for all Unit Owners, and for each of them, to settle, compromise, waive, discharge, acquit and release any and all demands, claims, actions, causes of action, suits, litigations, proceedings, mediations, arbitrations, judgments, determinations, findings, orders and awards whatsoever, at law, in equity, or otherwise, relating to or arising out of matters affecting the Common Elements or any components of the Condominium for which Council has the responsibility to maintain, repair and replace, or any matter related to or covered by insurance policies maintained by the Council of Unit Owners, subject to applicable requirements of Article 12 of these Bylaws, entitled "Dispute Resolution". The Board of Directors is hereby authorized to enter into, execute, acknowledge, deliver and record all agreements, releases, consents, certificates, papers, documents and other instruments as may be deemed necessary or desirable by the Board of Directors to effectuate the foregoing, and to generally say, do, act, transact, negotiate, determine, commence, accomplish and finish all matters and things whatsoever relating to the foregoing, as fully, amply and effectually, to all intents and purposes, as each Unit Owner, if present, ought or might do personally. The Unit Owners hereby ratify, approve and confirm all and whatsoever the Board of Directors shall lawfully do or cause to be done, in and about the premises, by virtue of the foregoing power of attorney, which is hereby expressly declared and acknowledged to be coupled with an interest in the subject matter hereof, and the same shall run with the title to any and all Units and be binding upon the heirs, personal representatives, successors, transferees and assigns of any of the foregoing parties. Further, the foregoing power of attorney shall not be affected by the death or disability of any principal, and is intended to deliver all right, title and interest of the principal in and to such power of attorney.

(p) Generally, to exercise the powers of the Association as set forth in the Act, subject to the Declaration and these Bylaws and to do every other act not inconsistent with the law, which may be appropriate to promote and attain the purposes set forth in the Act, the Declaration and these Bylaws.

*Section 3.3. Managing Agent.* The Board of Directors shall employ for the Association a professional Managing Agent ("Managing Agent") at a compensation established by the Board of Directors. At a minimum, all management agreements entered into on behalf of the Association shall (a) be for an initial term not in excess of two (2) years, (b) provide that the Board of Directors may, for cause, terminate such agreement upon thirty (30) days written notice (without a termination fee) and (c) provide for renewal upon agreement by the parties for successive one (1)-year periods.

*Section 3.4. Election and Term of Office.* The Directors of the Association designated by the Condominium Association in accordance with Article 3, Section 3.1, above shall hold office at the pleasure of the Condominium Association until the first annual meeting of the Association as provided for in Article 2, Section 2.5, of these Bylaws. At the first annual meeting of the Association, the members of the Board of Directors shall be elected by the Unit Owners. Commencing with the first annual meeting of the Association, the terms of office of the members of the Board of Directors shall be fixed at three (3) years. In the alternative, at the first annual meeting, or any annual meeting thereafter, Unit Owners having not less than fifty percent (50%) of the total authorized votes of all Unit Owners may vote to establish the term of office for all Directors to be for a period less than three (3) years, or to establish staggered terms for the Directors of from one (1) to three (3) years. Any change in the term of office of Directors shall not operate to curtail or extend the term of office of any incumbent Director. Each Director shall hold office until the next meeting of the Board of Directors following the election of his or her successor. However, a member of the Board of Directors shall be deemed to have resigned whenever such Director, his or her spouse, firm, corporation or other entity he or she is associated with, sells the Unit which qualified such individual to become a member of the Board of Directors. All election materials prepared with Association funds

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shall list candidates in alphabetical order and shall not suggest a preference among candidates. At each election of members to the Board of Directors the Unit Owners or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise pursuant to the provisions of the Declaration and these Bylaws. Except for members of the Board of Directors appointed by the Condominium Association, members of the Board of Directors shall be elected by plurality vote.

*Section 3.5. Nominations.* A call for nominations for candidates for the Board of Directors shall be sent to all Unit Owners not less than forty-five (45) days before notice of an election is sent. Only nominations made at least fifteen (15) days before notice of an election shall be listed on the election ballot. Nominations may also be made from the floor at the meeting at which the election of the members of the Board of Directors is held.

*Section 3.6. Removal of Members of the Board of Directors.* At any regular or special meeting of the Association after the first annual meeting of the Association, any one or more of the members of the Board of Directors elected by the Unit Owners may be removed, with or without cause, by a vote of the Unit Owners at an annual meeting or a special meeting called for such purpose; provided that prior to the first annual meeting of the Association any Director appointed or elected by the Condominium Association may be removed only with the consent of the Condominium Association. Any member of the Board of Directors whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. The term of office of any Director who becomes more than forty-five (45) days delinquent in the payment of Common Expenses against the Unit of which he or she is the owner shall automatically terminate on the forty-sixth (46th) day, and his or her successor shall thereupon be appointed by the remaining Directors to fill out the unexpired portion of such Director's term. Prior to the first annual meeting of the Association, the Condominium Association may remove any member of the Board of Directors appointed or elected by the Condominium Association, at any time, with or without cause, by written notification to the Board of Directors specifying the date of such removal and the name of the individual designated to succeed the Director so removed.

*Section 3.7. Vacancies.* Except with respect to Directors appointed or elected by the Condominium Association prior to the first annual meeting of the Association, vacancies on the Board of Directors shall be filled by vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the predecessor Director, and until a successor shall be elected at the next annual meeting of the Association at which the term of such predecessor Director was to have expired. Prior to the first annual meeting of the Association, members of the Board of Directors appointed or elected by the Condominium Association shall serve at the pleasure of and may be removed and/or replaced, with or without cause, solely by the Condominium Association.

*Section 3.8. Organization Meeting.* The first regular meeting of the Board of Directors following an annual meeting of the Association shall be held within ten (10) days thereafter, at such time and place as shall be fixed by a majority of the members of the Board of Directors, and no notice shall be necessary to the newly elected members of the Board of Directors in order to legally constitute such meeting, provided that a majority of the whole Board of Directors shall be present thereat. Unit Owners shall be provided with notice of such meeting in accordance with Section 3.9 of these Bylaws.

*Section 3.9. Regular and Special Meetings.* All regular meetings of the Board of Directors or any committee created by the Board of Directors shall be held only upon regularly scheduled and established dates or periods at such time and place as shall have been made known to all members in accordance with the procedures set forth below.

*Section 3.10. Open Meeting Requirements.*

(a) All regular or special meetings of the Board of Directors or any committee created by the Board of Directors shall be open to all Unit Owners (and if the Unit Owner is an entity, such entity's authorized representative) or their agents (and other interested parties in the discretion of the Board

of Directors or as required by law), except that such meetings may be held in closed session for the following purposes:

- (i) Discussion of matters pertaining to employees and personnel;
- (ii) Protection of the privacy or reputation of individuals in matters not related to Association business;
- (iii) Consultation with legal counsel;
- (iv) Consultation with staff personnel, consultants, attorneys or other persons in connection with pending or potential litigation; misconduct;
- (v) Investigative proceedings concerning possible or actual criminal
- (vi) Complying with a specific constitutional, statutory or judicially imposed requirement protecting particular proceedings or matters from public disclosure; or
- (vii) On an individually recorded affirmative vote of two-thirds (2/3) of the members of the Board of Directors (or committee, if applicable) present, for some other exceptional reason so compelling as to override the general public policy in favor of open meetings.

(b) If a meeting is held in closed session pursuant to the procedures established

above, (i) no action may be taken and no matter may be discussed other than those permitted above; and (ii) a statement of the time, place and purpose of any closed meeting, the record of the vote of each member of the Board of Directors (or committee, if applicable) by which any meeting was closed, and the authority under this Section for closing any meeting shall be included in the minutes of the next meeting of the Board of Directors (or committee, if applicable).

*Section 3.11. Notice of Board Meetings.* The Secretary shall maintain a current roster of names and addresses of each Unit Owner to which notices of regular meetings of the Board of Directors or any committee created by the Board of Directors shall be sent at least annually. Special meetings of the Board of Directors shall be held whenever called by direction of the President or Vice President, and must be called by the President or the Secretary upon written request of a majority of the Board of Directors. Notice of special meetings of the Board of Directors or any committee created by the Board of Directors shall be given to each Unit Owner, by posting or otherwise, not less than seventy-two (72) hours nor more than ninety (90) days prior to the date of the special meeting, except upon the declaration of an emergency by the person calling the meeting, in which event such notice may be waived and the meeting may be held by telephonic or video conference. Unless otherwise indicated in the notice thereof, any and all business may be transacted at any regular or special meeting of the Board of Directors. All meetings of the Board of Directors or any committee created by the Board of Directors shall be held at places and times convenient to the greatest number of Unit Owners. Board or committee members may participate in such meeting by telephone or video conference so long as all participating members can hear all others simultaneously.

*Section 3.12. Waiver of Notice.* Any member of the Board of Directors may at any time waive notice of any meeting of the Board of Directors, in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him or her of the time, place and purpose thereof.

*Section 3.13. Quorum of Board of Directors.* At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors, except as may otherwise be provided in the Declaration or these Bylaws. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such meeting at which a quorum is present, any business which might have been transacted at the meeting originally called and adjourned may be transacted without further notice.

*Section 3.14. Fidelity Insurance.* To the extent reasonably available, blanket fidelity insurance shall be required to be maintained by the Board of Directors for all officers, directors, managers, trustees, employees and volunteers of the Association and all other persons handling or responsible for funds held or administered by the Association, whether or not they receive compensation for their services. Where the Board of Directors has delegated some or all of the responsibility for the handling of funds to a Managing Agent, such Managing Agent shall be covered by its own fidelity insurance policy which must provide the same coverage as fidelity insurance maintained by the Board of Directors. Except for fidelity insurance that a Managing Agent obtains for its personnel, all other fidelity insurance policies shall name the Association as the insured and should have their premiums paid as a Common Expense by the Association. Fidelity insurance obtained by a Managing Agent shall name the Association as an additional insured. The total amount of fidelity coverage required shall be sufficient to cover the maximum funds (including reserve funds) that will be in the custody of the Association or Managing Agent at any time while the fidelity insurance policy is in force, but must at least equal the sum of three (3) months aggregate assessments on all Units within the Condominium plus any reserves. Fidelity insurance policies shall contain waivers by the insurers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The fidelity insurance policies shall provide that they cannot be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written notice to the Association, any Insurance Trustee (as defined herein), and all Eligible Mortgage Holders.

*Section 3.15. Compensation.* No member of the Board of Directors shall receive any compensation for acting as such, but a Director may be reimbursed for actual out-of-pocket expenses incurred by him or her in the proper performance of his or her duties.

*Section 3.16. Liability of the Board of Directors: Indemnification.*

(a) 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.

(b) The Association shall indemnify every Director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any Director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Association) to which such Director may be made a party by reason of being or having been a Director, whether or not such person is a Director at the time such expenses are incurred. The Board of Directors shall obtain adequate directors and officers insurance as required by Section 5.11 hereof. The Directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except in their capacity as Unit Owners) and the Association shall indemnify and forever hold each such Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any Director or former Director may be entitled.

(c) The provisions of "(a)" and "(b)" above shall also apply to each and every officer of the Association and the members of any committee created by the Board of Directors.

*Section 3.17. Executive Committee.* The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) members of the Board of Directors. The Executive Committee shall have and may exercise all of the powers of the Board of Directors in the management of the business and affairs of the Association during the intervals between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Expenses and expenses required for the affairs of the Association, or (b) to adopt or amend the Rules and Regulations covering the details of the operation and use of the Condominium.

*Section 3.18. Common or Interested Directors.* The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Association and consistent with the purposes set forth

in the Declaration. No contract or other transaction between the Association and one or more of its Directors, or between the Association and any corporation, firm, entity or association in which one or more of the Directors are directors or officers or are pecuniarily or otherwise interested, shall be either void or voidable because such Director or Directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his, her or their votes are counted for such purpose, if such action complies with the provisions of Section 2-419 of the Corporations and Associations Article of the Annotated Code of Maryland (1993), as amended, or its successor statute.

*Section 3.19. Delegation of Power to Board.* Except as may be provided otherwise by law or by the Declaration or these Bylaws, all of the powers and duties of the Council of Unit Owners are hereby delegated to the Board of Directors so as to permit the Board of Directors to fulfill all of its powers, functions and duties under the provisions of the Act, the Declaration and these Bylaws.

*Section 3.20. Committees.* The Board of Directors may appoint an Architectural Control Committee and, if necessary, an Executive Committee, as provided in these Bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its powers and duties.

#### **ARTICLE 4 OFFICERS**

*Section 4.1. Designation.* The principal officers of the Association shall be the President (who shall also act as chair of the Board of Directors), the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary or desirable. The President and Vice President, but no other officers, must be members of the Board of Directors; all other officers may but shall not be required to be members of the Board of Directors; all other officers may but shall not be required to be members of the Board of Directors.

*Section 4.2. Election of Officers.* The officers of the Association shall be elected annually by the Board of Directors and shall hold office at the pleasure of the Board of Directors.

*Section 4.3. Removal of Officers.* Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

*Section 4.4. President.* The President shall be the chief executive and operating officer of the Association. The President shall preside at all meetings of the Association. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized and existing under the laws of the State of Maryland.

*Section 4.5. Vice President.* The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Directors or by the President.

*Section 4.6. Secretary.* The Secretary shall keep the minutes of all meetings of the Association (including copies of all resolutions adopted thereat), and of the Board of Directors; shall count the votes at meetings of the Council of Unit Owners; shall have charge of such books and papers as the Board of Directors may direct; shall maintain the roster of Unit Owners and shall, in general, perform all the duties incident to the office of secretary of a stock corporation organized and existing under the laws of the State of Maryland.

Section 4.7.

Treasurer.

(a) The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name of the Association in such depositories as may from time to time be designated by the Board of Directors, and the Treasurer shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized and existing under the laws of the State of Maryland.

(b) The Treasurer shall give a bond, the premium therefore 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 or her office and for the restoration, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control.

Section 4.8. Compensation of Officers. No officer shall receive any compensation from the Association for acting as such; provided, however, that an officer is entitled to reimbursement from the Association for any bona fide expenses incurred by such officer in the performance of his or her duties pursuant to the Declaration or these Bylaws. The determination of a bona fide expense shall be at the sole discretion of the Board of Directors.

ARTICLE 5

OPERATION OF THE CONDOMINIUM

Section 5.1. Determination of Common Expenses. Unless otherwise expressly provided herein, Common Expenses of the Association, in general, shall include maintenance, operation, repair, or replacement of the Common Elements. They include, but are not limited to:

- (a) Management fees;
- (b) Insurance premiums; real estate taxes (if any);
- (c) Charges for landscaping, snow removal, trash removal and maintenance of the sidewalks, open spaces, parking areas, retaining walls (if any) and all other Common Elements of the Condominium;
- (d) Attorneys' fees, and like administrative costs;
- (e) Reserves for replacements or other expenses of a non-recurring nature;
- (f) Service contracts and employees' salaries;
- (g) Payment of utility bills and like expenses (except to the extent that such bills or expenses are individually metered or submetered for any Unit in which event such bills or expenses shall be the responsibility of the Unit Owner receiving the benefit of such individually metered or submetered service). Commonly metered utilities may be assessed against the Units based upon actual usage rather than Percentage Interest, as determined by the Board of Directors in its sole discretion; and
- (h) Such other expenses as shall be necessary or desirable in the judgment of the Board of Directors for the administration and operation of the Condominium, or which may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or by resolution of the Council of Unit Owners.

Section 5.2. Preparation and Approval of Budget. Each year, at least thirty (30) days before the adoption of a budget for the Condominium, the Board of Directors shall cause to be prepared and submitted to the Unit Owners a proposed annual budget for the next fiscal year of the Association. The proposed annual budget

shall contain, at a minimum, an estimate of the total amount of income the Association expects to receive, as well as an estimate of expenses for administration, maintenance, common utilities, general expenses, reserves and capital items that are expected for the next fiscal year. The budget shall be adopted at an open meeting of the Board of Directors. The Board of Directors shall thereafter send to each Unit Owner a copy of the approved budget which sets forth the amount of the Common Expenses payable by each Unit Owner, on or before thirty (30) days preceding the beginning of the fiscal year to which the budget applies or as soon thereafter as is possible. The said budget shall constitute the basis for determining each Unit Owner's contribution for the Common Expenses of the Condominium. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his or her allocable share of the Common Expenses, as herein provided, whenever the same shall be determined, and in the absence of any annual budget, each Unit Owner shall continue to pay his or her allocable share of the Common Expenses at the then existing rate established for the previous fiscal period until the new payment is established. The Board of Directors may determine, at its discretion, to round the Unit Owners' allocable share of the Common Expenses of the Association to the nearest half dollar or whole dollar amount. All budget figures and other information set forth in any proposed annual budget prepared by the Managing Agent, including, without limitation, the estimated Common Expenses, income and assessments, and the reserve analysis and projected life expectancy of reserve items, are based on estimates made by the Managing Agent, and shall not be deemed to be part of any contract, or to constitute the basis of the bargain, between the Condominium Association and any unit purchaser, nor shall such budget figures or other information be deemed to give rise to or constitute any representation or warranty whatsoever, whether express or implied, regarding the level of assessments or any other matter and neither the Board of Directors nor the Condominium Association have authorized any other party to make any such representation or warranty, and such other parties are without legal authority to make any such representation or warranty. All budget figures are estimates and neither the Managing Agent, the Condominium Association or the Board of Directors can warrant or guarantee that sufficient funds have been budgeted to cover all Common Expenses that may be incurred. Because actual expenditures may differ from estimated expenditures, due to possible changes in the future expenses of the Condominium and other variable factors, such estimates are not intended nor shall they be considered as guarantees of any kind whatsoever. The Budget shall, at a minimum include:

**UTILITIES:**

Electricity  
Gas  
Sewer Charges  
Water  
Telephone

**GENERAL BUILDING  
MAINTENANCE:**

Repairs & Maintenance  
Sewer Line Repairs  
Speed Bumps & Signs  
Exterminating Services  
Landscaping  
Tree Spraying  
Mulching  
Tree Pruning  
Snow Removal  
Gutters

**ADMINISTRATIVE EXPENSES:**

Management Fees  
Audit  
Legal Fees- Operating

Legal Fees- Litigation  
Office Expenses  
Welcome Committee  
Website Development  
Architectural & Landscaping  
Buildings & Grounds  
IRS; Income Taxes

GENERAL EXPENSES:  
Insurance & Deductibles  
Allowance for Bad Debt  
Contingency Reserve

*Section 5.3. Reserves.*

(a) As part of the annual budget the Board of Directors shall build up and maintain an adequate reserve for working capital and contingencies, and an adequate reserve for substantial periodic repair and replacement of the Common Elements and Limited Common Elements required to be repaired and/or replaced by the Association, including, without limitation, reserves for the routine inspection, maintenance and long term repair of any on-site storm water management facilities serving and/or benefiting the Condominium. Insurance deductibles associated with insurance policies of the Association should also be funded through the reserves maintained by the Association. All funds accumulated for reserves shall be kept in a separate bank account, segregated from the general operating funds, and, if the Board of Directors deems it advisable, funds accumulated for each type of reserve shall be kept in a separate bank account, identified by reference to the specific category of reserve. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except where an emergency requires an expenditure to prevent or minimize loss from further damage to, or deterioration of, the Common Elements or Limited Common Elements reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Board of Directors and by the affirmative vote of Unit Owners representing not less than sixty-seven percent (67%) of the Unit Owners present, in person or by proxy, and voting at any meeting of the Association. If the reserves are inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board of Directors may, subject to the limitations of Section 5.4 below, levy a further assessment, which shall be assessed against the Unit Owners according to their Percentage Interests, and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefore, and such further assessment shall, unless otherwise specified in the notice, become effective with the next regular payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment.

(b) The Percentage Interest of any Unit Owner in any reserve fund shall be considered an appurtenance to his or her Unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Unit to which it is appurtenant, and shall be deemed to be transferred with such Unit.

*Section 5.4. Amendment to Budget: Special Assessments.* Any expenditures including, without limitation, any expenditure intended to be funded by a special assessment, which is deemed necessary by the Board of Directors (other than those required because of conditions which, if not corrected, could reasonably result in a threat to the health or safety of the Unit Owners or a significant risk of damage to the Condominium) that, if made, would result in an increase in the amount of assessments for the current fiscal year of the Condominium in excess of fifteen percent (15%) of the budgeted amount previously adopted shall be approved by an amendment to the budget adopted at a special meeting of the Association, upon not less than ten (10) days written notice to the Unit Owners, by the



affirmative vote of Unit Owners representing not less than sixty-seven percent (67%) of the Unit Owners present, in person or by proxy, and voting at such meeting. Any provision of the foregoing to the contrary notwithstanding, any such amendment to the budget shall be subject to such additional approvals as may be provided in the Declaration or these Bylaws.

*Section 5.5. Initial Working Capital Fund Assessment.*

(a) When the first Board of Directors takes office, it shall determine the budget for the period commencing upon the conveyance of legal title to the first Unit by the Condominium Association and ending on the last day of the fiscal year established by the Board of Directors in which such conveyance occurs. The Board of Directors shall establish an initial working capital fund equal to two (2) months regular assessments through a special assessment (the "Initial Working Capital Fund Assessment") which shall be levied against each Unit Owner upon purchase of a Unit from the Condominium Association. The Initial Working Capital Fund Assessment shall not be deemed to constitute advance payment of regular assessments. The Condominium Association will deliver the funds so collected to the Board of Directors, who shall maintain the funds in a segregated account for the use and benefit of the Association to provide the necessary working capital for the Council of Unit Owners. Such funds may be used for certain prepaid items, initial equipment, supplies, organizational costs and other start-up costs, or for such other purposes related to the operation of the Association as the Board of Directors may determine.

(b) In the event that the Condominium Association shall own a Unit which is not subject to a binding contract of sale, the Condominium Association shall pay the foregoing Initial Working Capital Fund Assessment for each such Unit owned by the Condominium Association upon the date that the Unit Owners other than the Condominium Association shall elect a majority of the members of the Board of Directors pursuant to Article 3, Section 3.1 of these Bylaws. Upon conveyance of any Unit for which the Condominium Association was required to pay an Initial Working Capital Fund Assessment, the purchasing Unit Owner shall pay the Condominium Association the full amount of such assessment paid by the Condominium Association with respect to such Unit. Any Initial Working Capital Fund Assessment paid by the Condominium Association shall be deposited in the segregated account maintained for such funds by the Board of Directors. Prior to the date that the Unit Owners other than the Condominium Association shall elect a majority of the members of the Board of Directors pursuant to Article 3, Section 3.1 of these Bylaws, the Condominium Association shall not use any Initial Working Capital Assessment to pay expenses of the Condominium Association, reserve contributions, construction costs or budget deficits.

*Section 5.6. Payment of Common Expenses: Lien.*

(a) Each Unit Owner, including the Condominium Association with respect to any unsold Units, shall be obligated to pay, in advance, the Common Expenses assessed by the Board of Directors against his or her Unit. The amount levied and assessed against each Unit for Common Expenses shall constitute a lien against said Unit from the date of assessment until the date of full payment, provided that the requirements of the Maryland Contract Lien Act have been fulfilled. All assessments and charges levied against a Unit by the Board of Directors of the Council of Unit Owners shall also be the personal obligation of the Unit Owner of such Unit. At the option of the Board of Directors, the Common Expenses may be payable in annual, quarterly, monthly or other convenient installments, to the Board of Directors or to such person or entity who or which the Board of Directors shall designate.

(b) No Unit Owner may be exempted from liability for the assessment of Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his or her Unit subsequent to the date of recordation of a conveyance by him or her in fee of such Unit. Prior to or at the time of such conveyance, all liens, unpaid charges and assessments shall be paid in full and discharged. The purchaser of a Unit shall be jointly and severally liable, in accordance with the Act, with the selling Unit Owner for all unpaid assessments against the selling Unit Owner for the selling Unit Owner's proportionate share of the Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefore; provided, however, that no purchaser from a selling Unit Owner other than the Condominium

Association shall be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments greater than the amount set forth in any resale certificate provided by the Association or its Managing Agent. The conveyance of a Unit shall not affect any lien established by the Association against such Unit. Notwithstanding anything contained herein to the contrary, any mortgagee who comes into possession of a Unit by virtue of foreclosure of a deed of trust or mortgage or a deed or other conveyance in lieu of foreclosure shall take the Unit free of any liens or claims for unpaid assessments or charges against such Unit which accrue prior to the time such mortgagee comes into possession thereof except for liens or claims for a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all Units, including the mortgaged Unit. The sale or transfer of a Unit by virtue of foreclosure of a deed of trust or mortgage or a deed or other conveyance in lieu of foreclosure shall not relieve such mortgagee, the purchaser at such sale or transfer, or any subsequent Unit Owner from liability for any assessments thereafter coming due, nor from the lien of such subsequent assessments, which lien, if any, shall have the same effect and may be enforced in the same manner as provided herein. Notwithstanding anything herein to the contrary, the lien of the Association against any Unit shall be subordinate to the First Mortgage (as defined in Article 6, Section 6.5 hereof) against such Unit, unless otherwise provided by law.

(c) All taxes, assessments, and charges which may become liens prior to any First Mortgage shall relate only to the individual Unit securing such First Mortgage and not to the Condominium as a whole.

(d) No amendment to this Section shall affect the rights of the holder of any such First Mortgage (or the indebtedness secured thereby) recorded prior to recordation of such amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

*Section 5.7. Collection of Assessments* The Board of Directors shall take prompt action to collect any charges due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. The Board of Directors shall notify any Eligible Mortgage Holder who holds a mortgage upon a Unit to which there exists a delinquency in the payment of charges, which delinquency has existed for sixty (60) days or more. Upon default in the payment of any one or more installments of any assessment levied pursuant to the Declaration and/or these Bylaws and upon notice as required by law, the entire balance of said annual assessment may be accelerated at the option of the Board of Directors and be declared due and payable, in full, together with interest thereon at the maximum rate permitted by law at the time the assessment became due.

(a) All monthly installments of the annual assessment shall be due and payable in advance of the first day of the month.

(b) All documents, correspondence, and notices relating to assessments and charges shall be mailed to the Unit Owners address which appears on the books of council or as modified in writing by Unit Owner.

(c) Non-receipt of a bill shall in no way relieve the Unit Owner of the obligation to pay the amount due by the due date.

*Section 5.8. Default in Payment of Common Expenses and Assessments*

(a) The lien for unpaid assessments may be enforced and foreclosed in such manner as may from time to time be provided in the Act and the Maryland Contract Lien Act. Any assessment, until paid, will bear interest at the rate of 18% per annum, applied in monthly interest charges of 1.5% Per Month, compounding monthly at the time the assessment became due. In addition, a late charge penalty in the sum of \$50 per month shall be imposed as of the 15th day of delinquency, in addition to the costs of collection (including reasonable attorneys' fees, and costs of litigation or enforcement of a lien action), if any, with respect to any assessment which has not been fully paid when due. Such late charges and other costs shall not exceed the permissible amounts provided for in the Act, and shall otherwise comply therewith. All such interest, late charges and other costs shall constitute a lien upon the Unit which is appurtenant to such Unit until fully paid as provided in Article 5, Section 5.6, above.

(b) In any action brought by the Association to foreclose a lien against a Unit which is appurtenant to such Unit because of unpaid charges, the Unit Owner shall be required to pay a reasonable rental for the use of his or her Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same, such rent to accrue from the date that the foreclosure decree becomes final until the plaintiff in such foreclosure action regains possession from the Unit Owner.

(c) A *Notice of Intent to Accelerate*, along with the late fee of \$50.00 and interest, and attorney/collection fees (if any), shall be sent to the delinquent Unit Owner at his address of record in the books of Council on the 15<sup>th</sup> day of delinquency. The *Notice of Intent to Accelerate* shall state that the remaining installments of the annual installment will be deemed accelerated and immediately due and payable if the current assessment is not paid by the 30<sup>th</sup> day after the due date, and that all remedies available to create a Lien under the provisions of the Maryland Contract Lien Act will be perused against the delinquent Unit Owner.

(d) *Notice of Intention to Create a Lien*. If payment in full, including late fees, and interest, is not received in the Office of the Managing Agent by the 30<sup>th</sup> day after a monthly installment is due, a *Notice of Intention to Create Lien*, in accordance with the Maryland Contract Lien Act, shall be delivered upon the Unit Owner in the manner prescribed in the Maryland Contract Lien Act. The address of record for this notice shall be the address listed in the books of Council. A duplicate copy may be mailed to the Unit Owner's Home Address of record via first class mail, postage pre-paid, return receipt requested. If necessary, service shall be made pursuant to Section 14-203(a)(3) of the Maryland Contract Lien Act.

(e) *Filing of Lien*. If payment in full, including late fees, interest, and attorney/collection fees (if any), is not received within thirty days after the mailing of the *Notice of Intention to Create Lien*, and if no action is filed by the Owner under the Maryland Contract Lien Act, a *Statement of Lien* will be recorded against the property for the amount of unpaid and accelerated assessments, together with interest, late fees, any unpaid charges, and collection costs, including attorney/collection fees. When the lien is recorded, Legal Counsel of the Association will notify the Unit Owners of the action, and a Non-Payment Penalty of 24% per annum calculated from the due date shall be added to the account at this time.

(f) *Filing of Suit*. In addition to filing of the *Statement of Lien*, a lawsuit may be filed against the Unit Owner for a money judgment for all amounts due, including collection costs and attorney's fees.

(g) *Foreclosure*. The Board of Directors may direct the Condominium Association's Legal Counsel to take legal action to foreclose the lien on any unit for which condominium fees and other charges remain unpaid.

(h) *Collection Costs*. A delinquent Unit Owner shall be liable for payment of all collection costs including, without limitation, legal or administrative expenses (regardless of whether suits or liens are filed) resulting from Unit Owner's failure to pay assessments when due or from any other default referred to herein.

(i) *Priority of Payments*. Payments received from a Unit Owner will be credited in the following priority:

- 1) Charges for attorneys' fees and court costs;
- 2) All late fees and interest accrued;
- 3) Any special assessment levied against the unit;
- 4) The monthly condominium assessment for the unit.

(j) *Applicability to Fines for Violation of Rules*. The Collection procedures set forth herein shall also apply to any fine imposed by the Board in connection with a violation of the Declaration, by-Laws, Amendments to By-Laws, Rules and Regulations or Resolutions by a Unit Owner, his family, tenants, employees, agents, or licensees.

*Section 5.9. Statement of Common Expenses.* Any owner, mortgagee or any purchaser in connection with any sale or conveyance of a Unit, shall be entitled to a statement furnished by the Board of Directors setting forth in detail the amount of any unpaid assessments owed by the Unit Owner. The Board may impose a reasonable fee to furnish this information.

*Section 5.10. Insurance.*

(a) Authority to Purchase; Notice.

(i) Except as otherwise provided in Section 5.10(e) hereof, all insurance policies relating to the Condominium shall be purchased by the Board of Directors. The Board of Directors, the Managing Agent and the Condominium Association shall not be liable for failure to obtain any coverages required by this Section 5.10 or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverages from reputable insurance companies, or if such coverages are so available only at commercially unreasonable rates. The Board of Directors shall promptly furnish to each Unit Owner written notice of the procurement of, subsequent changes in, or termination of, insurance coverages obtained on behalf of the Council of Unit Owners.

(ii) Each such policy shall provide that:

(A) Each Unit Owner is an insured person under the policy with respect to liability arising out of his or her ownership of an undivided interest in the Common Elements or membership in the Council of Unit Owners;

(B) The insurer waives any right to claim by way of subrogation against the Condominium Association, the Council of Unit Owners, the Board of Directors, the Managing Agent or the Unit Owners) and their respective guests, invitees, tenants, agents and employees;

(C) An act or omission by any Unit Owner, unless acting within the scope of his or her authority on behalf of the Council of Unit Owners, does not void the policy and is not a condition to recovery under the policy;

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

(E) Such policy may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to the Board of Directors, the Managing Agent and all Eligible Mortgage Holders;

(iii) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same property covered by the policy, the policy is primary insurance not contributing with the other insurance;

(iv) The Condominium Association, so long as Condominium Association shall own any Unit, shall be protected by all such policies as a Unit Owner;

(v) All policies of insurance shall be written by reputable companies licensed or qualified to do business in the State of Maryland; and

(vi) The deductible, if any, on any insurance policy purchased by the Board of Directors

shall be a Common Expense; provided, however, that the Council of Unit Owners may assess any deductible amount necessitated by the negligence, misuse or neglect of a Unit Owner against such Unit Owner.

(b) Physical Damage Insurance.

(i) The Board of Directors shall obtain and maintain a blanket, "all-risk" form policy of fire insurance with extended coverage, vandalism, malicious mischief, sprinkler leakage (if applicable), debris removal and water damage endorsements, insuring the entire Condominium (including without limitation all of the Units and the fixtures initially installed therein by the Condominium Association, and replacements thereof up to the value of those initially installed by the Condominium Association, but not including furniture, wall coverings, improvements and additions, furnishings or other personal property supplied or installed by Unit Owners), together with all air conditioning and heating equipment and other service machinery contained therein and covering the interests of the Council of Unit Owners, the Board of Directors and all Unit Owners and their mortgagees, as their interests may appear, (subject, however, to the loss payment and adjustment provisions in favor of the Insurance Trustee contained in Sections 6.6 hereof), in an amount equal to one hundred percent (100%) of the then current replacement cost of the Condominium (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation (such amount to be re-determined annually by the Board with the assistance of the insurance company affording such coverage). The Board of Directors shall also obtain and maintain such coverage on all real and personal property owned by the Council of Unit Owners.

(ii) Such policy shall also provide:

(A) A waiver of any right of the insurer to repair, rebuild or replace any damage or destruction, if a decision is made pursuant to these Bylaws not to do so;

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

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

(iii) A duplicate original of the policy of physical damage insurance, all renewals thereof, and any sub-policies or certificates and endorsements issued thereunder, together with proof of payment of premiums, shall be delivered by the insurer to any Eligible Mortgage Holder requesting the same, at least thirty (30) days prior to expiration of the then current policy. Prior to obtaining any policy of physical damage insurance or any renewal thereof the Board of Directors shall obtain a statement from an insurance company, or such other source as the Board may determine, of the then current replacement cost of the Condominium (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation, for the purpose of determining the amount of physical damage insurance to be secured pursuant to this section. All Eligible Mortgage Holders shall be notified promptly of any event giving rise to a claim under such policy arising from damage to the Common Elements in excess of one percent (1%) of the then current replacement cost of the Condominium. Eligible Mortgage Holders shall be notified promptly of any event giving rise to a claim under such policy arising from damage to

such Unit.

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

(d) Other Insurance. The Board of Directors shall obtain and maintain:

- (i) fidelity insurance coverage as required by Section 3.14 hereof;
- (ii) if required by any governmental or quasi-governmental agency, flood insurance in accordance with the then applicable regulations of such agency;
- (iii) workers' compensation insurance if and to the extent necessary to meet the requirements of law (including a voluntary employees endorsement and an "all states" endorsement);
- (iv) if applicable, pressure, mechanical and electrical equipment including air conditioning equipment coverage on a comprehensive form in an amount not less than Five Hundred Thousand Dollars (\$500,000.00) per accident per location;
- (v) directors' and officers' liability insurance in an amount not less than One Million Dollars (\$1,000,000.00); and
- (vi) such other insurance as the Board of Directors may determine or as may be requested from time to time by a majority vote of the Council of Unit Owners.

(e) Separate Insurance. Each Unit Owner shall have the right to obtain insurance for such Unit Owner's benefit, at such Unit Owner's expense, covering the Unit and such Unit Owner's personal property and personal liability; as well as any improvements made to the Unit by such Unit Owner (under coverage normally called "improvements and betterments" coverage); and for such other risks as are normally insured; provided, however, that no Unit Owner shall be entitled to exercise this right to acquire or maintain such insurance coverage so as to decrease the amount which the Board of Directors, on behalf of all Unit Owners, may realize under any insurance policy maintained by the Board or to cause any insurance coverage maintained by the Board to be brought into contribution with insurance coverage obtained by a Unit Owner. No Unit Owner shall obtain separate insurance policies on the Condominium except as provided in this section.

(f) Insurance Trustee.

(i) All physical damage insurance policies purchased by the Board of Directors shall be for the benefit of the Council of Unit Owners, the Unit Owners, their mortgagees

and the Condominium Association, as their interests may appear, and shall provide that all proceeds of such policies shall be paid in trust to the Board as "Insurance Trustee" to be applied pursuant to the terms of Section 5.11.

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

*Section 5.11. Repair or Reconstruction After Fire or Other Casualty.*

(a) When Repair and Reconstruction are Required. Except as hereinbelow provided, if all or any part of the Condominium is damaged or destroyed as a result of fire or other casualty, the Board of Directors shall arrange for and supervise the prompt repair and restoration thereof (including without limitation any damaged Units, and the floor coverings, fixtures and appliances initially installed therein by the Condominium Association, and replacements thereof installed by the Unit Owners up to the value of those initially installed by the Condominium Association, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Unit Owners in the Units unless covered by insurance obtained by the Council of Unit Owners). Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the redecorating of the Unit.

(b) Procedure for Reconstruction and Repair.

(i) Immediately after a fire or other casualty causing damage to any portion of Condominium, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring such portion (including without limitation any damaged Units and any floor coverings and fixtures and appliances initially installed by the Condominium Association, and the replacements thereof installed by the Unit Owners up to the value of those initially installed by the Condominium Association, but not including any other furniture, furnishings, fixtures or equipment installed by the Unit Owner in the Unit unless covered by insurance obtained by the Council of Unit Owners) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Insurance Trustee determines to be necessary.

(ii) If the proceeds of insurance are not sufficient to defray such estimated costs of reconstruction and repair, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds and/or shall be deemed a Common Expense and a special assessment therefore shall be levied.

(iii) Any such reconstruction or repair shall be substantially in accordance with the original construction of the Condominium, subject to any modifications required by changes in applicable governmental regulations, and using contemporary building materials and technology to the extent feasible; provided, however, that other action may be taken if approved by at least fifty-one percent (51 %) of the Eligible Mortgagees.

(c) Disbursements of Construction Funds.

(i) The proceeds of insurance collected on account of casualty, and the sums received by the Insurance Trustee from collections of assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(A) If the estimated cost of reconstruction and repair is less than fifty percent (50%) of the total annual assessment for Common Expenses for that fiscal year, then the construction fund shall be disbursed in payment of such costs upon order of the Board of Directors; provided, however, that upon request of fifty percent (50%) of the Eligible Mortgagees, such fund shall be disbursed pursuant to subparagraph (B).

(B) If the estimated cost of reconstruction and repair is fifty percent (50%) or more of the total annual assessment for Common Expenses for that fiscal year or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in Maryland and employed by the Insurance Trustee to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with the work stating that: (i) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished; (ii) there is no other outstanding indebtedness known to such architect for the services and materials described; and (iii) the cost as estimated by such architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested.

(ii) The first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be divided among all Unit Owners in proportion to their Percentage Interests and shall be distributed in accordance with the priority of interests at law or in equity in each Unit.

(iii) When the damage is to both Common Elements and Units, the insurance proceeds shall be applied first to the cost of repairing those portions of the Common Elements which enclose and service the Units, then to the cost of repairing the other Common Elements and thereafter to the cost of repairing the Units.

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

(d) When Reconstruction Is Not Required. Except in the case of insubstantial damage to the general Common Elements, if any portion of the Condominium is damaged or destroyed, it shall be repaired or replaced promptly unless (i) the Condominium is terminated or (ii) fifty percent (50%) of the Unit Owners, including every owner of a Unit or Limited Common Elements which will not be repaired or replaced, vote not to undertake such repair or replacement. If the Board of Directors elects not to repair insubstantial damage to the General Common Elements, the Board of Directors shall remove all remains of the damaged improvements and restore the site thereof to an acceptable condition compatible with the remainder of the Condominium and the balance of any insurance proceeds received on account of such damage shall be distributed or credited, as the Board of Directors may decide, to all Unit Owners in proportion to their respective Percentage Interests. If the Condominium shall be terminated pursuant to Section 11-123 of the Condominium Act, the net assets of the Condominium together with the net proceeds of insurance policies, if any, shall be divided by the Insurance Trustee among all Unit Owners in proportion to their respective Percentage Interests, after first paying out of the share of each Unit Owner, to the extent sufficient therefore, the amount of any unpaid liens on the Unit in the order of priority of such liens.

*Section 5.12. Abatement and Enjoinment of Violations by Unit Owners.* The violation of any of the Rules and Regulations adopted from time to time by the Board of Directors, or the breach of these Bylaws or of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; provided, however, that no



structure or improvement may be altered or demolished until proper judicial proceedings have been instituted; or (b) to enjoin, abate or remedy by appropriate legal proceeding, either at law or in equity, the continuance of any such breach.

**Section 5.13. Maintenance and Repair.**

(a) By the Association. The Association shall be responsible for the maintenance, repair and replacement of the following:

(i) Except as otherwise provided in paragraph (b) of this Section 5.13, all of the General Common Elements and Limited Common Elements (if any), whether located inside or outside of the Units. The Association shall have exclusive control over those areas for which the Association has maintenance, repair and replacement responsibilities. Except as otherwise provided herein or with the prior written approval of the Association, no Unit Owner shall enter upon or make use of any area inside or outside of his/her Unit that is under the exclusive control of the Association; and

(ii) Except as otherwise provided in Section 5.13(b) below, all exterior walls and exterior surfaces of the buildings constituting the Condominium (excluding those items set forth in Section 5.13(a)(vi) below); the roofs of the buildings constituting the Condominium; chimneys; Unit party walls and all other portions of the Units which contribute to the support of the buildings constituting the Condominium, such as the outside walls of such buildings and all signs and fixtures on the exterior thereof; the boundary walls of Units; floor slabs; and all load-bearing columns; but excluding, however, the interior walls, interior ceilings and interior floor coverings of the Units, and excluding the surfaces of all walls, floors and ceilings of the Units; and

(iii) The sanitary and storm sewer systems and appurtenances; all water, electric, gas, heating, air conditioning, plumbing and telephone lines, facilities and systems that are deemed Common Elements, including all conduits, ducts, plumbing, wiring and other facilities (including cable television systems and broadband or high speed internet service that are commonly provided) whether located inside or outside of any Unit for the furnishing of all utility services into two (2) or more Units, but excluding therefrom all air-handling units, heating units, air-conditioning units, fireplaces, lighting fixtures, plumbing (including, but not limited to, the components of any sprinkler system), electrical appliances and systems, fixtures and other components serving a single Unit which are located within the boundary of such Unit and/or in a Limited Common Element area designated in the Declaration or on the Condominium Plat as being appurtenant to that Unit and which serve that Unit and no other; all television master antenna systems located outside the specific boundaries of any Unit, and all roof drainage pipes, gutters and leaders; and

(iv) Except as otherwise provided in paragraph (b) of this Section 5.13, all patios, terraces, sunrooms, decks, and balconies, if any, designated in the Declaration or on the Condominium Plat as a part of a Unit or as a Limited Common Element appurtenant to a Unit; and

(v) All incidental damage caused to any Unit by such work as may be done or caused to be done by the Association in accordance with the provisions of these Bylaws; and

(vi) All maintenance, repairs and replacements to the windows, window frames, window screens, front door, door frame, sliding glass doors, frames and screens, and the hardware, locking and opening devices of such windows and doors, that are appurtenant to or a part of a Unit or the Limited Common Elements appurtenant to such Unit.

The cost of the Association's maintenance, repair and replacement responsibilities under Section 5.13 (a)(i) through (v) shall be charged to all Unit Owners as a Common Expense. The cost of the Association's maintenance, repair and replacement responsibilities under Section 5.13 (a)(vi) may, in the sole discretion of the Board of Directors, be charged to all Unit Owners as a Common Expense or be assessed against the Unit receiving such services and shall be collectible in the same manner as any other assessment levied by the Association.

(b) By the Unit Owner.

(i) Except for the portions of any Unit required or authorized to be maintained, repaired and replaced by the Association, each Unit Owner shall be responsible for the maintenance, repair and

replacement, at his or her expense, of such Unit and all improvements therein and components thereof, including, without limitation, the following: all interior walls, ceilings, doors, floors, kitchen and bathroom fixtures and equipment, and all air-handling units, heating units, air-conditioning units, fireplaces, lighting fixtures, plumbing (including, but not limited to, the components of any sprinkler system), electrical appliances and systems, fixtures and other components of such dwelling which are located within the boundary of such Unit and/or in a Limited Common Element designated in the Declaration or on the Condominium Plat as being appurtenant to that Unit and which serve that Unit and no other. Each Unit Owner must notify the Board and/or Property Management Company of any Unit Owner initiated, and authorized improvement or repair project that in total will exceed \$1,000.00 in cost to conduct. Date, time, and anticipated completion time must also be submitted. Any, and all Unit Owner initiated improvements that require use of, or encroachment of any Common Area, by personnel or equipment must be approved in writing by the Board, and/or the Property Management Company. Any equipment used in any Unit Owner initiated improvement, not readily identified, and approved for use of Common Area and left in a Common Area without such notification, approval, and identification, will be removed at the cost and expense of the Unit Owner. Each Unit Owner shall be responsible for performing, at his or her expense, all normal day-to-day maintenance of any patio, terrace, deck, or balcony which is designated in the Declaration or on the Condominium Plat as being a part of his or her Unit or as a Limited Common Element appurtenant to his or her Unit, including keeping it in a clean and sanitary condition, and free and clear of snow, ice and any accumulation of water, and shall also make, at his expense, all repairs thereto caused or permitted by his negligence, misuse or neglect. In the event any Unit Owner shall fail to maintain any such patio, terrace, deck or balcony, or any Limited Common Element appurtenant to his or her Unit, the Association shall be responsible for such maintenance, the cost of which may be assessed against such Unit and shall be collectible in the same manner as any other assessment levied by the Association. Notwithstanding anything herein to the contrary, the Association shall be responsible for the maintenance, repair and replacement of all structural components of the buildings constituting the Condominium. Any costs incurred by the Association in connection with the maintenance, repair or replacement of any Unit or of any Limited Common Element appurtenant to a Unit, may be assessed against such Unit and shall be collectible in the same manner as any other assessment levied by the Association;

(ii) If the cause of any damage to or destruction of any portion of the Condominium originates from any Unit, the Owner of such Unit shall reimburse the Association for the full amount of any property insurance deductible payable thereby (the "Deductible Reimbursement"). The Deductible Reimbursement shall be collected by the Association from the Unit Owner obligated to pay such reimbursement in the same manner as set forth in Article 5 of these Bylaws for the collection of Common Expenses; and

(iii) Each Unit Owner shall perform his or her responsibilities under this Section 5.13 in such a manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Board of Directors or the Managing Agent any defect or need for repairs for which the Association is responsible.

(iv) - Each Unit Owner occupying a lower level Unit must contact the Unit Owner of any upper level Unit in the event of problems arising due to leakage from the upper level Unit or other damage to the lower Unit which originates from the Upper Unit. Should the Unit Owner of the upper level Unit be found to be responsible for damage to the lower level Unit, the upper level Unit Owner shall pay for any repairs necessary to restore the lower level Unit to its former condition.

(v) Each Unit Owner is responsible for the maintenance and repair of windows, fixtures, water pipes and wiring located within the Unit. In addition, the Unit Owner must maintain the HVAC equipment within the Unit, including but not limited to the regular replacement of air filters.

(c) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of first-class quality.

(d) No Warranty. By acceptance of a deed to a Unit or by the acceptance of any other legal or equitable interest in the Condominium, each and every contract purchaser, Unit Owner, Eligible Mortgage Holder, mortgagee or other lienholder or party having a legal or equitable interest in the Condominium does, and shall be deemed to acknowledge and agree that (i) the Condominium Association has conveyed fee simple title to the Units, together with the interest of the Units in and to the Common

Elements, in their "AS IS, WHERE IS" condition with all faults, and that any and all warranties, both express and implied (including without limitation warranties of habitability and fitness for a particular purpose), of the Units and Common Elements or any other component of the Condominium, do not apply and have been disclaimed by Condominium Association in their entirety; and (ii) Condominium Association is forever released from any liability or responsibility for any and all damages (including without limitation incidental and consequential damages) or injury to any person, any Units, the Common Elements, caused by or resulting from any defect or alleged defect in the Units or Common Elements of the Condominium.

*Section 5.14. Restrictions on Use of Units.* In order to provide for the congenial occupancy of the Condominium, the protection of the values of the Units, and the compliance of the Condominium with applicable Laws (as hereinbelow defined), the use of the Condominium shall be restricted to and shall be in accordance with the following provisions:

(a) Except as provided in the Declaration, Units may only be used for office purposes and in no event may a Unit be used for residential purposes or for purposes not permitted by applicable laws, rules, regulations or codes in effect from time to time having jurisdiction over the Condominium (collectively, "Laws"). No portion of the Condominium shall be utilized as a veterinary hospital or for any type of telephone marketing or telephone survey business. Nothing in these Bylaws shall be construed to prohibit the Condominium Association from using any Unit owned by the Condominium Association for promotional, marketing or display purposes or from using any appropriate portion of the Common Elements for settlement of sales of Units and for customer service purposes. Further, the Condominium Association specifically reserves the right to operate a rental, brokerage and management office at any time, to the extent permitted by law.

(b) In addition to the restrictions set forth in subsection (a) above, no Unit shall be used for a "Medical Practitioner" use, defined by the Prince George's County Zoning Ordinance in effect as of the date hereof as "a licensed physician, surgeon, dentist, osteopath, chiropractor, optometrist, podiatrist, psychiatrist, psychologist, or a person in a similar profession," if the effect of such Medical Practitioner use would be to cause the Condominium or any portion thereof to fail to comply with any applicable Laws, including without limitation the minimum parking space requirements set forth in the Prince George's County Zoning Ordinance. The Board of Directors shall be required to maintain a roster of Units in which a Medical Practitioner use has been permitted, and shall enforce this use restriction to ensure the compliance of the Condominium with applicable Laws at all times. In furtherance of the foregoing obligation to monitor the uses within the Units, the Board of Directors shall have the right from time to time to require that Unit Owners provide written confirmation of the nature of the uses established within the Units. Any Unit Owners desiring to establish a Medical Practitioner use within a Unit (either by said Unit Owner, or any lessee or other occupant of a Unit) must make written application to the Board of Directors. The Board of Directors shall grant its consent to Unit Owners desiring to establish a Medical Practitioner use within a Unit on a first-come, first-served basis, subject to availability and subject to applicable Laws. The Board of Directors shall be required to respond to any Unit Owner's written application to establish a Medical Practitioner Use within a Unit not later than twenty-one (21) days following receipt by the Board of Directors' of such written notice. Failure of the Board to respond to any written request to establish a Medical Use within a Unit within said twenty-one (21) day period shall be deemed to be the grant of approval of such Medical Practitioner use. In addition, if requested by any other Unit Owner, mortgagee, or purchaser of a Unit within the Condominium, the Board of Directors shall provide such requesting party with written notice, specifying whether a Medical Practitioner use would be permitted within a particular Unit as of the date of the written response from the Board of Directors. The Board of Directors shall have the right to require that any Unit Owner or other requesting party pay a reasonable fee to reimburse the Board of Directors for its costs incurred in connection with its review and approval (or disapproval) of an application to establish a Medical Practitioner use within a Unit, and/or preparation of a response letter to a requesting party as to the availability of a Medical Practitioner use within a Unit. Any Unit Owner failing to continuously operate an approved Medical Practitioner use within a Unit for more than ninety (90) days shall forfeit the approval for a Medical Practitioner use, and such Unit Owner shall be required to re-apply to the Board of Directors for permission to re-introduce such a Medical Practitioner use within the Unit. The Board of Directors shall grant its consent to such Unit

Owner on a first-come, first-served basis, subject to availability and subject to applicable Laws as provided above.

(c) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Condominium or any part thereof applicable for permitted commercial uses without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in the Unit or in the Common Elements which will result in the cancellation of insurance on the Condominium or any part thereof or which would be in violation of any Laws. No waste will be committed on the Common Elements.

(d) No improper, offensive or unlawful use shall be made of the Condominium or any part thereof, and all Laws shall be observed. All Laws relating to any portion of the Condominium shall be complied with, by and at the sole expense of the Unit Owner or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the Condominium, and, if the latter, then the cost of such compliance shall be common expense.

(e) No Unit Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or cause or permit anything to be placed on or in any of the Common Elements (except those areas designated for such storage, if applicable, by the Declaration or Bylaws or the Board of Directors) without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Elements except with the prior written consent of the Board of Directors or the Architectural Control Committee, as appropriate.

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

(g) No Unit Owner shall lease a Unit other than on a written form of lease: (i) requiring the lessee to comply with the Declaration, Bylaws and Rules and Regulations, including the use restrictions set forth therein; (ii) providing that failure to comply constitutes a default under the lease, and providing that the Board of Directors has the power to terminate the lease or to bring summary proceedings to evict the tenant in the name of the lessor thereunder after forty-five (45) days prior written notice to the Unit Owner, in the event of a default by the tenant in the performance of the lease. The Board of Directors may suggest a standard form lease for use by Unit Owners or the inclusion of certain standard form provisions to be incorporated therein. Each Unit Owner of a Unit shall, promptly following the execution of any lease of a Unit, forward a conformed copy thereof to the Board of Directors. The foregoing provisions of this sub-section (g) shall not apply to Units owned by the Council of Unit Owners, to the Declarant, or to a mortgagee in possession of a Unit as a result of foreclosure, judicial sale or a proceeding in lieu of foreclosure.

(h) Trailers, campers, recreational vehicles, boats and other large vehicles may not be parked within the parking areas of the Condominium. All vehicles shall be parked wholly within parking space lines. No junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be kept upon any of the Common Elements. Except in areas designated by the Board of Directors, if any, vehicle repairs other than (i) emergency maintenance, (ii) ordinary light maintenance (excluding fluid changes and other operations which might soil the Common Elements) and (iii) normal cleaning (in areas designated by the Board, if any) are not permitted on the Common Elements.

(i) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any Unit or upon the Common Elements, except that the keeping of guide animals and aquarium fish (and other limited species of animals which do not normally leave the Unit and which do not make noise) is permitted, subject to the Rules and Regulations adopted by the Board of Directors; provided, however, that such pets are not kept or maintained for commercial purposes or for breeding; and provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance or noise may be permanently removed

from the Condominium upon ten (10) days written notice from the Board of Directors. Such pets shall not be permitted upon the Common Elements unless accompanied by someone who can control the pet and unless carried or leashed. Any Unit Owner who keeps or maintains any pet upon any portion of the Condominium shall be deemed to have indemnified and agreed to hold the Council of Unit Owners, each Unit Owner and the Condominium Association free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium. All pets which may leave the Unit shall be registered with the Board of Directors and shall otherwise be registered and inoculated as required by law. The Board of Directors may establish reasonable fees for registration of pets not to exceed the additional costs incurred by the Council of Unit Owners resulting from the presence of such pets.

(j) Except for such signs as may be posted by the Condominium Association for promotional or marketing purposes, no signs of any character shall be erected, posted or displayed upon, in, from or about any Unit or Common Element without the prior written approval of the Board of Directors. The Board of Directors shall have the right to require a uniformity in the style, size and lettering used in any Unit signage or other signage within the Condominium. The only approved exterior signage by any Unit Owner is an exterior unit door sign, displayed on door, to measure 12 x 18 (inches) of gold brushed aluminum. Unit Owners are encouraged to contact the Management Company to obtain the approved specifications prior to erecting any exterior signage. Any unapproved signage will be removed and/or replaced at the cost and expense of the Unit Owner, who agrees to hold harmless any party contracted herein for such removal and replacement.

(k) Sufficient carpeting or rugs shall be maintained on the floor surfaces in Units located over other Units to adequately reduce transmission of sound between Units.

(l) Except as specifically permitted by applicable federal governmental regulations, no exterior antennas of any type, including, but not limited to, satellite dishes for reception or transmission, may be erected or maintained within the Condominium; provided, however, that satellite dishes not in excess of one (1) meter in diameter are permitted within a Unit or a Unit's appurtenant Limited Common Elements. The Board of Directors may impose reasonable rules and regulations regarding the location and screening of any such satellite dish, subject to applicable governmental regulations. Antennas situated entirely within a Unit, and not visible from the exterior, are permitted.

(m) The floor load within any Unit shall not exceed seventy (70) pounds per square foot upon the framed or suspended steel floors, including an allowance of twenty (20) pounds per square foot for partition loads; provided, however, that the floor load within any Unit shall not exceed one hundred (100) pounds per square foot upon concrete slabs on grade, including an allowance of twenty (20) pounds per square foot for partition loads. Floor loads shall not exceed the stated design loads for the Condominium, nor shall concentrated loads of any sort (e.g., safes, library stacks, filing systems or other heavy equipment) be maintained unless and until the adequacy of the structure to support such floor loads is verified by a structural engineer to the satisfaction of the Architectural Control Committee or the Board of Directors and under such reasonable conditions and circumstances as it may require.

(n) Each Unit Owner shall obtain an occupancy permit to operate in Prince George's County. A copy of such permit is to be submitted to the management company or the President of the Association. Violation of this by-law shall result in action by the Condominium Association including, but not limited to legal action by the Association's legal counsel, fine or both.

*Section 5.15. Architectural Control.* Except for purposes of proper maintenance and repair or as otherwise permitted or required by law or these Bylaws and subject to the exemption set forth in Section 5.23 of this Article, it shall be prohibited for any Unit Owner to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, shades, screens, awnings, patio covers, decorations, fences, walls, signs, exterior antennas (except as specifically permitted by applicable federal governmental regulations), radio broadcasting or receiving devices, terraces, decks, balconies or porches, or to make any change or otherwise alter (including any alteration in color) in any manner whatsoever, the exterior of any Unit or the Common Elements within the Condominium or to combine or otherwise join two (2) or more Units (or parts thereof), or to partition the same, or to remove or alter any window or

exterior doors of any Unit, or to make any change or alteration within any Unit which will alter the structural integrity of any building or otherwise affect the property, interest or welfare of any other Unit Owner, materially increase the cost of operation or insuring the Condominium or impair any easement, until complete plans and specifications, showing the nature, kind, shape, materials and location of the same (including, without limitation, any other materials and information as may be specified by the Board of Directors or its designated committee) shall have been submitted to and approved in writing as to the effect of any such alterations on the costs of maintaining and insuring the Condominium and harmony of design, color and location in relation to surrounding structures and topography, by the Board of Directors of the Association, or by the Architectural Control Committee designated by the Board of Directors.

Each Unit Owner must contact the Architectural Control Committee before making any alterations to the wiring in the Unit which might affect the exterior appearance or structure of any Unit or Common Element within the Condominium, including the soffit area, or which might affect the wiring of any other Unit or Common Element.

Each Unit Owner must contact the Architectural Control Committee to obtain approval prior to placing holes in the walls or roof larger than would be needed for the usual hanging of artwork, photos, cabinetry or other fixture. If permission is not obtained prior to such work, the Unit Owner will be responsible for reimbursement to the Association for repairs to the wall or roof and/or cost of the removal of the offending fixture. In addition, the Unit Owner may be assessed a fine.

*Section 5.16. Architectural Control Committee - Operation.* The Architectural Control Committee shall be composed of an uneven number of three (3) or more natural persons designated from time to time by the Board of Directors and such persons shall serve at the pleasure of the Board of Directors. In the event the Board of Directors fails to appoint an Architectural Control Committee, then the Board of Directors shall constitute the Committee. The affirmative vote of a majority of the members of the Architectural Control Committee shall be required in order to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article.

*Section 5.17. Architectural Control Committee - Approvals, Etc.* Upon approval of the Architectural Control Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of such Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Architectural Control Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within forty-five (45) days after such plans and specifications (and all other materials and information as may be required by the Architectural Control Committee) have been submitted to it in writing, then approval will not be required and this Article will be deemed to have been fully complied with. Approval by the Architectural Control Committee (or by the Board of Directors, if applicable) shall in no way be construed as to pass judgment on the correctness of the location, structural design, suitability of water flow or drainage, location of utilities, or other qualities of the item being reviewed, nor shall such approval be substituted in lieu of applicable governmental approvals and permits or be deemed to constitute a determination as to compliance with local zoning ordinances, governmental guidelines or restrictions.

*Section 5.18. Architectural Control Committee - Limitations.* Construction of alterations in accordance with plans and specifications approved by the Architectural Control Committee pursuant to the provisions of this Article shall be commenced within six (6) months following the date upon which the same are approved by the Architectural Control Committee (whether by affirmative action or by forbearance from action), and shall be substantially completed within twelve (12) months following the date of commencement, or within such longer period as the Architectural Control Committee shall specify in its approval. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Architectural Control Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required. There shall be no deviations from plans and specifications approved by the Architectural

Control Committee without the prior consent in writing of the Architectural Control Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Architectural Control Committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

*Section 5.19. Architectural Control Committee - Certificate of Compliance.* Upon the completion of any construction, alteration or other improvements or structures in accordance with plans and specifications approved by the Architectural Control Committee in accordance with the provisions of this Article, the Architectural Control Committee shall, at the request of the owner thereof, issue a certificate of compliance which shall be prima facie evidence that such construction, alteration or other improvements or structures referenced in such certificate have been approved by the Architectural Control Committee and constructed or installed in full compliance with the provisions of this Article and with such other provisions and requirements of these Bylaws as may be applicable.

*Section 5.20. Architectural Control Committee - Rules, Etc.* The Architectural Control Committee may from time to time adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted for approval and may publish such statements of policy, standards, guidelines and establish such criteria relative to architectural styles or details, or other related matters, as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of the Declaration or these Bylaws. The Architectural Control Committee may charge and collect a reasonable fee for the examination of any plans and specifications submitted for approval pursuant to the provisions of this Article.

The decision of the Architectural Control Committee shall be final except that any Unit Owner who is aggrieved by any action or forbearance from action by the Architectural Control Committee shall have the right to appeal to the Board of Directors and, upon the request of such Unit Owner, shall be entitled to a hearing before the Board of Directors.

*Section 5.21. Condominium Association's Exemption.* Notwithstanding any provision of Sections 5.15 through 5.20 of this Article to the contrary, the provisions of said Sections 5.15 through 5.20 shall not apply to a Unit owned by the Condominium Association or its designee which is used as a model or is being or will be offered for sale by the Condominium Association until a deed to such Unit has been delivered by the Condominium Association to a purchaser thereof. Further, the aforesaid provisions shall not apply to the Condominium Association's actions with respect to the Common Elements of the Condominium until the completion of the Condominium Association's construction thereof, as well as the completion of Condominium Association's development, marketing, sales, management and leasing activities regarding the Property.

*Section 5.22. Right of Access.* All Unit Owners hereby grant a right of access to their Units to the Managing Agent and/or such other persons as may be authorized by the Board of Directors or the Managing Agent for the purpose of making inspections and for the purpose of performing installations, alterations or repairs to the mechanical and electrical services and other Common Elements in their Units or elsewhere in the Condominium, and to correct any condition which violates the provisions of the Declaration, Bylaws or Rules and Regulations, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

## ARTICLE 6 MORTGAGES

*Section 6.1. Notice to Board of Directors.* A Unit Owner who mortgages his or her Unit shall notify the Board of Directors in writing of the name and address of his or her mortgagee, and shall file a conformed copy of the note and mortgage with the Board of Directors. The Board of Directors shall maintain such information in a book entitled "Mortgages of Units",

*Section 6.2. Examination of Books.* Each Unit Owner, contract purchaser of a Unit and each mortgagee of a Unit shall be permitted to examine the books and records of the Association at reasonable times on business days at the office of the Managing Agent.

*Section 6.3. Notice of Loss to or Taking of Common Elements.* The Board of Directors shall give written notice to Eligible Mortgage Holders who have requested such notice of any condemnation or casualty loss which affects a material portion of the Condominium or any Unit on which a First Mortgage is held, insured or guaranteed by such Eligible Mortgage Holder of any Unit or the Common Elements or related facilities of the Condominium.

*Section 6.4. Financial Statement.* The Association shall provide any Eligible Mortgage Holder who submits a written request, a copy of an annual financial statement for the preceding fiscal year of the Association within ninety (90) days following the end of such fiscal year. Such financial statement shall be audited by an independent certified public accountant if the Eligible Mortgage Holder bears the cost of the audit.

*Section 6.5. Definition.* As used in these Bylaws, the term "mortgagee" shall mean any mortgagee or trustee under a deed of trust which is a lien upon a Unit, or the party secured or beneficiary of any recorded deed of trust, and shall not be limited to institutional mortgagees; and the term "mortgage" shall include a deed of trust. As used generally in these Bylaws, the term "institutional holder" or "institutional mortgagee" shall include banks, trust companies, insurance companies, mutual savings banks, mortgage insurance companies, mortgage companies, credit unions, savings and loan associations, pension funds, and any corporation, including a corporation of, or affiliated with, the United States Government, or any agency thereof. "First Mortgage" shall mean a mortgage with priority over all other mortgages. As used in these Bylaws, the term "Eligible Mortgage Holder" shall mean a holder, insurer or guarantor of a First Mortgage on a unit who has requested notice from the Council of Unit Owners of amendments to the Declaration or these Bylaws or other significant matters which would affect the interests of the mortgagee.

*Section 6.6. Percentage of Eligible Mortgage Holders.* Wherever in the Declaration or these Bylaws the approval or consent of a specified percentage of Eligible Mortgage Holders is required, it shall mean the approval or consent of Eligible Mortgage Holders holding security interests in Units which in the aggregate have allocated to them such specified percentage of votes in the Association as compared to the total allocated to all Units then subject to security interests held by Eligible Mortgage Holders. An Eligible Mortgage Holder who is notified of any proposed amendment(s) to the Declaration or these Bylaws or other matter for which it is entitled to notice as provided in the Declaration or these Bylaws (such notice to be delivered by certified or registered mail, return receipt requested), and which fails to respond within thirty (30) days of receipt of such notice shall be deemed to have consented to the proposed amendment(s) or other matter of which the Eligible Mortgage Holder was provided notice.

*Section 6.7. Notice of Actions.* The Association shall give prompt written notice to each Eligible Mortgage Holder of (and each Unit Owner hereby consents to, and authorizes such notice):

- (a) Any condemnation loss or any casualty loss which affects a material portion of the Common Elements) Condominium or any Unit subject to a First Mortgage or security interest held, insured, or guaranteed by such Eligible Mortgage Holder.
- (b) Any delinquency in the payment of Common Expense assessments of charges owed by a Unit Owner whose Unit is subject to a First Mortgage or security interest held, insured, or guaranteed, by such Eligible Mortgage Holder which remains uncured for a period of sixty (60) days.



(c) Any lapse, cancellation or material modification of any insurance policy or fidelity insurance maintained by the Association.

(d) Any proposed amendment to the Declaration, these Bylaws or Condominium Plat effecting a change in the purposes to which any Unit or the Common Elements are restricted.

(e) Any proposed termination of the Condominium.

To be entitled to receive notice of the foregoing, the Eligible Mortgage Holder must send a written request to the Association, stating both its name and address and the Unit number or address of the Unit on which it has (or insures or guarantees) the mortgage.

*Section 6.8. Development Rights.* No development rights may be voluntarily abandoned or terminated by the Condominium Association unless all persons holding security interests in the development rights consent to the abandonment or termination.

*Section 6.9. Enforcement.* The provisions of this Article are for the benefit of Eligible Mortgage Holders and their successors, and may be enforced by any of them by any available means, at law, or in equity.

*Section 6.10. Attendance at Meetings.* Any representative of an Eligible Mortgage Holder may attend and address any meeting which a Unit Owner may attend.

## **ARTICLE 7** **SALES AND MORTGAGES OF UNITS**

Except as may be provided in the Act, no Unit Owner shall execute any lease, mortgage or other instrument conveying or mortgaging title to his or her Unit without including therein the appurtenant Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such lease, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant Common Elements of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the appurtenant Common Elements of all Units. No sale of individual Units shall be ratified without notifying the Condominium Association of the proposed new Owner, to include the full address, phone number, and contact information listed upon the HUD-1, to the Condominium Association President. Notification of the ratified contract, shall be made to the President of the Condominium Association President, by sending a letter of notification of ratification of new owner, with app relevant contact information – name of New Unit Owner; consented address of New Unit Owner for contact by Condominium Association; Phone Number, of New Unit Owner; Alternate Address and Phone Number of New Unit Owner.

## **ARTICLE 8** **CONDEMNATION**

In the event of a taking in condemnation (or by purchase in lieu thereof) of a Unit or any part thereof or of part or all of the Common Elements, the Association is hereby appointed by each Unit Owner as its attorney-in-fact in any proceedings, negotiations, settlements or agreements related to such condemnation (or purchase in lieu thereof). Any proceeds from the settlement of such condemnation (or purchase in lieu thereof) shall be payable to the Association, or an Insurance Trustee (if an Insurance Trustee is appointed by the Association) for the benefit of the Unit Owners and their mortgage holders. Any distribution of funds in connection with the termination of the Condominium shall be made in accordance with the Act.

**ARTICLE 9**  
**RECORDS AND AUDITS**

The Board of Directors or the Managing Agent shall keep books and records in accordance with good accounting practices on a consistent basis. In addition to the provisions of Article 6, Section 6.4 of these Bylaws, on the request of the Unit Owners of at least twenty-five percent (25%) of the Units, an audit by an independent Certified Public Accountant shall be made; provided an audit shall be made not more than once in any consecutive twelve (12)-month period. The cost of such audit shall be a Common Expense. Every record kept by the Council of Unit Owners and current copies of the Declaration, Bylaws and Rules and Regulations (if any) of the Association shall be available in accordance with the Act and these Bylaws for examination and copying by any Unit Owner, contract purchaser of a Unit and mortgagee of a Unit (and insurers and guarantors of First Mortgages secured by a Unit or Units), and their respective duly authorized agents or attorneys, during normal business hours and after reasonable notice.

**ARTICLE 10**  
**PARKING SPACES**

All parking spaces located upon the Property and serving the Condominium are General Common Elements and are available for use by Unit Owners, their lessees, licensees, and patrons on a first-come, first served basis. Each Unit Owner shall comply in all respects with such supplementary Rules and Regulations which are not inconsistent with the provisions of the Declaration or these Bylaws which the Board of Directors may from time to time adopt and promulgate with respect to parking and traffic control within the Condominium, and the Board of Directors is hereby, and elsewhere in these Bylaws, authorized to adopt such Rules and Regulations.

**ARTICLE 11**  
**EASEMENTS FOR UTILITIES AND RELATED PURPOSES**

Subject to the requirements of Section 11-125 of the Act, the Association is authorized and empowered to grant (and shall from time to time grant) such licenses, easements, leases and/or rights-of-way for sewer lines, water lines, electrical cables, cable television, telephone cables, gas lines, storm drains, underground conduits and/or such other purposes related to the provision of public utilities to the Condominium as may be considered necessary or appropriate by the Board of Directors for the orderly maintenance, preservation, and enjoyment of the Common Elements or for the preservation of the health, safety, convenience and/or welfare of the owners of the Units or the Condominium Association and/or as required by the Declaration. The Association shall have the power to grant such licenses, easements, leases and rights-of-way as set forth in Section 11-125 of the Act.

**ARTICLE 12**  
**DISPUTE RESOLUTION**

Section 12.1. Legal Action. Before the Unit Owners' Association may approve the initiation of legal action against (i) any Unit Owner or other party based on a claim for anything other than the collection of delinquent condominium fees or other assessments or similar charges or (ii) the Condominium Association, the Unit Owners' Association shall provide written notice to the potential defendant (the "Defendant") of the claim, which notice shall afford the Defendant a reasonable opportunity to inspect the documents or other materials evidencing the claim or, if applicable, the areas of the Condominium relating to the claim (provided that, if necessary, interior inspections of Units shall occur only during normal business hours or other mutually agreed upon times, only upon prior notice to the Unit Owner(s) or occupant of the Unit, and only with the consent of the applicable Unit Owner, which consent may not be unreasonably withheld or delayed) and shall invite the Defendant to make an offer of settlement. If settlement of the claim is not obtained through this notice/inspection/offer process, then the Unit Owners' Association shall request that the Defendant join in internal mediation in order to resolve the claim by contacting Federal Mediation and Litigation Associates, LLC at (800) 614-8106 to schedule a mediation. Each party will bear their own costs of

Official Copy Bears The Langley Law Group Raised Seal on Each Page, and Original Signature Page 31/33

mediation. If the Defendant declines to participate in mediation or if mediation does not result in a settlement acceptable to both the Board and to the Defendant, then, the President and/or Managing Member of the Association may hire the retained counsel of the Association, The Langley Law Group, LLP, at 877-303-2567 and enter into an agreement of legal services to initiate and pursue litigation on behalf of the Association.

*Section 12.2. Non-Jury Trial.* Notwithstanding any contrary provision set forth in Section 12.1, all disputes, claims, or causes of action asserted against the Condominium Association arising out of or resulting from the construction, renovation, sale, management or operation of the Condominium by the Condominium Association shall be decided by a trial without jury. The Council of Unit Owners and its Board of Directors and all Unit Owners hereby waive irrevocably trial by jury with respect to all such claims. All Unit Owners, the Council of Unit Owners, and its Board of Directors further agree that in any suit or action arising out of or resulting from the construction, renovation, operation, sale or management of the Common Elements, the individual Units, or any part of the Condominium, if such Unit Owner or the Council of Unit Owners or its Board of Directors, as the case may be, does not recover the full amount sued for, then in such case the Unit Owner or the Council of Unit Owners or its Board of Directors, as the case may be, shall be responsible for payment of all attorneys' fees incurred by the Condominium Association in defending any such action and/or prosecuting any counterclaim. Such attorneys' fees of the Condominium Association shall be reimbursed as they are incurred. If for any reason the preceding provisions regarding attorneys' fees are found to be unenforceable by a court of competent jurisdiction, then unless also found unenforceable, such provisions shall be so interpreted and applied to require the payment of Condominium Association's attorneys' fees if the amount recovered by such party against the Condominium Association in such suit or claim does not exceed the amount offered by the Condominium Association in settlement of any such suit or claim, and shall further require to the extent permitted by law that such attorneys' fees be paid immediately to the Condominium Association as they are incurred and shall be repaid by the Condominium Association only upon a final adjudication resulting in a recovery in such suit or claim against the Condominium Association for the full amount sued for, or for a sum greater than the amount offered in settlement by the Condominium Association, whichever shall be deemed enforceable.

*Section 12.3. Amendment.* Notwithstanding anything contained herein to the contrary the provisions of Sections 12.1 and 12.2 shall not be modified or amended, except by a written instrument executed by not less than ninety percent (90%) of all Unit Owners and the Condominium Association, recorded among the Land Records of Prince George's County, Maryland.

### **ARTICLE 13** **MISCELLANEOUS**

*Section 13.1. Notices.* All notices hereunder to the Council of Unit Owners or the Board of Directors shall be sent by personal delivery with a signed receipt, or by first-class registered or certified mail, return receipt requested, postage prepaid, to the Board of Directors or Managing Agent (if any), to the mailing address specified in these Bylaws. All notices hereunder to any Unit Owner shall be sent by first class United States mail or personally delivered to the address as may have been designated by such Unit Owner from time to time, in writing, for inclusion on the Association Roster. All notices hereunder to mortgagees of Units shall be sent by first-class mail or personally delivered to their respective addresses as designated by them from time to time, in writing, to the Board of Directors. All notices hereunder to the Condominium Association shall be sent by personal delivery with a signed receipt, or by first-class registered or certified mail, return receipt requested, postage prepaid, to:

The Langley Law Group, LLP  
Attn: Ravender K. Verma, Esq  
3 Bethesda Metro Center, Suite 700  
Bethesda, MD 20814-5337

With a copy to:

The Langley Law Group, LLP

Attn: Office of Corporate Counsel  
1400 16<sup>th</sup> Street, Suite 400  
Denver, CO 80202

Any notice hereunder may also be sent by facsimile (provided the original is, on the same day, sent to the addressee by one of the other methods of delivery set forth in this Section). All notices shall be in writing and shall be deemed to have been given (i) when delivered if by personal delivery, (ii) on the date evidenced by the return receipt if by registered or certified mail, or (iii) on the date of mailing, if mailed by first-class or other mail, postage prepaid; provided, however, that all notices of a change of address shall be deemed to have been given when received. The parties shall be responsible for notifying each other of any change of address.

*Section 13.2. Invalidity.* The provisions of these Bylaws shall be severable, and the invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

*Section 13.3. Captions.* The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision thereof.

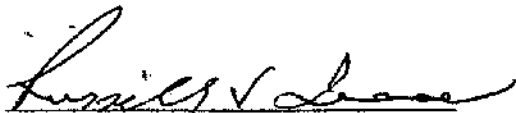
*Section 13.4. Gender.* The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires, and vice versa.

*Section 13.5. Waiver.* No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

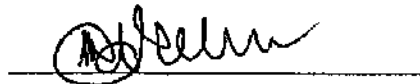
*Section 13.6. Amendments to Bylaws.* Except as elsewhere herein or in the Declaration provided otherwise, these Bylaws may be modified or amended in accordance with Section 11104(e) of the Act.

*Section 13.7. Conflicts.* In case any part of these Bylaws conflict with the Act and/or the Declaration, the provisions of the Act and/or Declaration as the case may be, shall control.

**HEREBY ADOPTED** by Vote of Majority of Unit Owners by Special Meeting on 2 March, 2007, and **RATIFIED BY PUBLICATION** this, the 1<sup>st</sup> Day of May, 2007, by filing with the County Recorder at the direction by signature of the current Board of Directors hereunder.



Mr. Russell Isaac  
Member, Board of Directors,  
Prince Georges Professional  
Plaza Condominium Association  
d/b/a Toledo Terrace Condo Association



Dr. Vivek Vaid  
Member, Board of Directors,  
Prince Georges Professional  
Plaza Condominium Association  
d/b/a Toledo Terrace Condo Association



Mr. David Rees  
Member, Board of Directors,  
Prince Georges Professional  
Plaza Condominium Association  
d/b/a Toledo Terrace Condo Association



Ms. Remi Duyile  
Member, Board of Directors,  
Prince Georges Professional  
Plaza Condominium Association  
d/b/a Toledo Terrace Condo Association

**Prince George's Country Police Department  
Schedule of Approved Fees  
Effective January 8, 2010**

<b><u>JOB DESCRIPTION</u></b>	<b><u>FEE</u></b>
ORDINARY TOW JOB FOR VEHICLE UP TO AND INCLUDING 10,000 POUNDS TO GARAGE OR STORAGE AREA. (Charges include first 18 hours of storage, mileage, hook-up fees, use Of a dolly, go jacks, transportation and minor winching.)	<b>\$175.00</b>
ORDINARY TOW JOB FOR VEHICLE 10,001 – 26,000 LBS (Charges include first 18 hours of storage, mileage, hook-up fees, use Of a dolly, go jacks, transportation and minor winching.)	<b>\$300.00</b>
ORDINARY TO JOB FOR VEHICLE OVER 26,000 LBS (Charges include first 18 hours of storage, mileage, hook-up fees, use Of a dolly, go jacks, transportations and minor winching.)	<b>\$750.00</b>
STORAGE, PER VEHICLE (Storage fees may not exceed \$50 per day and may only commence a Minimum of eighteen (18) hours after the time the vehicle was towed.)	<b>\$50.00 PER DAY</b>
<b>DROP FEES</b>	
GVW UP TO 10,000LBS	<b>\$50.00</b>
GVW 10,001 – 26,000LBS	<b>\$100.00</b>
GVW OVER 26,001LBS	<b>\$350.00</b>

(A drop fee may be charged when a vehicle is physically attached to a tow truck and lifted at least six (6) inches off the ground when tow service is no longer needed.)

**\*Note No tow company is authorized to charge ANY fees, for any services OTHER THAN the above fees and services. There shall be no Deviations from this fee schedule without authorization from the Supervisor, Tow Coordination Unit.**