BY-LAWS

OF

ROUTE SEVEN PROFESSIONAL ARTS

BUILDING CONDOMINIUM ASSOCIATION

(Loudoun County, Virginia)

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ROUTE SEVEN PROFESSIONAL ARTS

BUILDING CONDOMINIUM ASSOCIATION

ARTICLE 1

Introductory Provisions

Section 1.1. Applicability. These By-Laws provide for the governance of Route Seven Professional Arts Building Condominium, by a Unit Owners' Association to be known as "Route Seven Professional Arts Building Condominium Association." The Condominium is located in Loudoun County, Virginia.

Section 1.2. Definitions. In addition to the definitions indicated or specified by Section 1.2 of the Declaration, in these By-Laws:

(a) The "Association" means Route Seven Professional Arts Building Condominium Association.

(b) "Majority Vote" means a simple majority (except where a higher majority is specified) of the votes actually cast at a meeting held pursuant to these By-Laws where (except in the cases provided for in Section 2.6(c), and in the second sentence of Section 2.5 of these By-Laws) the quorum requirements for such meeting are satisfied.

(c) "Upkeep" means care, maintenance, operation, repair, renovation, alteration, remodeling, restoration, replacement, improvement, or any combination thereof.

ARTICLE 2

The Association

Section 2.1. Membership. The membership of the Association shall at all times consist exclusively of all Unit Owners of Units in the Condominium.

Section 2.2. Status and Office of the Association. The Association, and its Board of Directors and Managing Agent when either of them act on behalf of the Association, shall for all purposes act only as agent for the members of the Association as a group. The office of the Association shall be at such place as may be designated from time to time by resolution of the Board of Directors.

Section 2.3. Annual Meetings. The members of the Association shall meet during the second month preceding the beginning of each fiscal year February at such time and place as may be fixed from time to time by resolutions of the Board of Directors. No such resolution shall fix a Saturday, Sunday, or legal holiday observed in Virginia as a meeting date.

Section 2.4. Special Meetings.

(a) Special meetings of the Association shall be held if sought (1) by resolution of the Board of Directors, (2) after the period of Declarant control, by a petition signed by the Unit Owners of Units to which a total of at least three-tenths (3/10) of the votes in the Association are allocated, or (3) while the Declarant is a Unit Owner, by request of the Declarant; provided, that such resolution, petition or request must (1) specify the time and place at which the meeting is to be held, (2) either specify a date on which the meeting is to be held which will permit the Secretary to comply with Section 2.5 of these By-Laws, or else specify that the Secretary shall designate the date of the meeting, (3) specify the purpose(s) for which the meeting is to be held, and (4) be delivered to the Secretary.

(b) Not later than the earliest of the three dates specified in the first sentence of Section 1.2.13 of the Declaration, a special meeting of the Association shall be held by request of the Declarant, at which all Directors appointed by the Declarant shall resign, and the Unit Owners shall thereupon elect a new Board of Directors in accordance with Section 3.1 of these By-Laws.

Section 2.5. Notice of Meetings. The Secretary shall give notice to all Unit Owners and Mortgagees of each annual meeting of the Association at least twenty-one (21) days but not more than thirty (30) days, and of each special meeting of the Association at least seven (7) days but not more than thirty (30) days, prior to the meeting. The notice shall specify the place, date and time of the meeting and, in the case of a special meeting, shall also specify the purpose(s) for which the meeting is to be held.

Section 2.6. Quorums. A quorum shall be deemed to be present throughout (i) any meeting of the Association if persons entitled to cast more than one-third (1/3) of the votes in the Association are present at the beginning of such meeting, and (ii) any special meeting of the Association called for the purpose of removing a Director if persons entitled to cast more than one-fourth(1/4) of the votes in the Association are present at the beginning of such meeting. No business shall be transacted in the absence of a quorum other than to adjourn the meeting to a date, time and place agreed by Majority Vote of those present.

Section 2.7. Order of Business. The order of business at meetings of the Association shall be as follows:

(1) Roll call and ascertainments of a quorum.
(2) Proof of notice of meeting.
(3) Reading of minutes of preceding meeting.
(4) Reports of Officers.
(5) Appointment of vote tellers (if any vote is to be taken) by the Officer presiding.
(6) Election of Director (at annual meetings).
(7) Unfinished business.
(8) New business.
(9) Adjournment.

Section 2.8. Conduct of Meetings. The Officer presiding at a meeting of the Association may appoint a person to serve as parliamentarian at that meeting. The latest edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Condominium Instruments or the Condominium Act.

Section 2.9. Voting. Each Unit is hereby allocated a vote in the Association equal to its Percentage Interest, as set forth in the Declaration and the person entitled to cast the vote allocated to that Unit shall be the Unit Owner thereof. If a Unit Owner is more than one person, the vote shall be cast either: (i) by the person named in a certificate executed by all persons constituting the Unit Owner of such Unit and filed with the Secretary; or (ii) in the absence of such a certificate, by any such person who is present at the meeting; provided, however, if more than one such person is present, the vote shall be cast only in accordance with their unanimous agreement pursuant to Section 55-79.77(c) of the Code of Virginia. A certificate filed with the Secretary pursuant to this Section shall be valid until its revocation is similarly executed and filed. No person shall be entitled to cast the vote of a Unit against which the Association has perfected a lien and the amount necessary to release such lien has not been paid by the time such vote is to be cast. There shall be no cumulative voting.

Section 2.10. Proxies. Any vote may be cast by a proxy duly executed by or on behalf of the Unit Owner and properly witnessed and dated. Proxies may be granted only to another Unit Owner, the Declarant, the Mortgagee or lessee of the Unit, an Officer, or the attorney or authorized agent of a Unit Owner or Declarant; provided, however, that no person other than the Declarant, Managing Agent or an Officer shall vote proxies for more than one Unit. A proxy shall be valid only for the meeting designated therein and must be filed with the Secretary at or before the time of such meeting. A proxy shall be void if, before it is exercised, the presiding Officer receives actual notice of revocation from any of the persons who executed it. No proxy shall be valid after adjournment of the first meeting of the Association held on or after the date of that proxy.

ARTICLE 3

Board of Directors

Section 3.1. Number and Term. Until the end of the period of Declarant control, the Board of Directors shall consist of three (3) Directors, all of whom the Declarant shall appoint, remove and replace at such times as the Declarant sees fit to do so. Beginning with the meeting contemplated by Section 2.4(b) of these By-Laws, the Board of Directors shall consist of not less than three (3) nor more than seven (7) Directors elected for one-year terms, except that the term of the Directors elected at the said meeting shall extend until the second following annual meeting of the Association. For one year after the end of the period of Declarant control, the Declarant may appoint from time to time an individual who shall be entitled to notice of all meetings of the Board as if he were the Director and to attend and speak (but not vote) at such meetings. No Unit Owner may be elected as a Director while the Association has perfected a lien against a Unit which he, individually or with any other person(s), is the Unit Owner.

Section 3.2 Meetings. The Board of Directors shall meet regularly without notice at such intervals, times and places as may be fixed from time to time by resolutions of the Board. Special meetings of the Board shall be held when called by the President or by the other two (2) members thereof, in either case with at least three (3) business days' notice stating the time, place, and purpose(s) of the meeting to the other Director(s). Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time, place and purpose of such meeting. If all members are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 3.3. Quorum of Board of Directors. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business. No business may be transacted in the absence of a quorum other than to fill a vacancy in the Board and/or to adjourn the meeting to a date, time and place specified by the Director present. One or more members of the Board of Directors may participate in and be counted for quorum and voting purposes at any meeting by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other.

Section 3.4. Conduct of Meetings. The latest edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Condominium Instruments or the Condominium Act. Each decision of the Board of Directors shall be made by a Majority Vote except where a higher majority is specified by these By-Laws.

Section 3.5. Action without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all of the Directors shall consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board.

Section 3.6. Removal, Resignation and Vacancies.

(a) After the period of Declarant control, any Director may be removed with or without cause, by a Majority Vote of the Unit Owners at a special meeting of the Association called for such purpose, and a successor shall thereupon be elected in the same manner. Seven (7) days' notice and an opportunity to be heard at the meeting shall be afforded to any Director whose removal is proposed.

(b) Any Director may resign at any time and shall be deemed to have resigned upon disposition of this Unit as provided for Officers in Section 55-79.78(a) of the Code of Virginia.

(c) Any Director elected to fill a vacancy pursuant to this Section shall be elected to serve for the entire remaining term of his predecessor.

Section 3.7. Powers and Duties.

(a) In addition to such other powers as are conferred on the Board of Directors by the Condominium Act and other provisions of the Condominium Instruments, the Board shall have the power:

(1) to adopt, amend and repeal Rules and Regulations governing the use and operation of the Common Elements and any portions thereof and, to the extent provided by these By-Laws, governing the use of the Units, provided, however, that any such Rules and Regulations in conflict with the Condominium Instruments or any applicable law, ordinance or other governmental regulation shall be void;

(2) to determine the expenditures to be made by the Association and the purpose of each such expenditure;

(3) to borrow money on behalf of the Association, provided, however, that a two-thirds (2/3) Majority Vote at a meeting of the Association shall be required to borrow any sum which exceeds Fifteen Thousand Dollars ($15,000.00) of aggregate borrowed funds outstanding, increased by the percentage increase in the annual budget of the Association from the date of the adoption and approval of the initial budget to the adopted budget as of the date of the borrowing:

(4) to acquire, hold, mortgage and dispose of Condominium Units in the name of the Association, but only if such actions are approved by a two-thirds (2/3) Majority Vote at a meeting of the Association and the maximum number of such Units which may be held by the Association at any one time shall not exceed one (1);

(5) to act on behalf of the Unit Owners with respect to all matters arising out of any eminent domain proceeding affecting any part of the Condominium;

(6) to grant exclusive or nonexclusive licenses for the use of designated Common Elements to the Unit Owners of designated Units in accordance with the provisions of the Declaration and other Condominium Instruments governing same;

(7) to do or cause to be done any other act or thing not inconsistent with Condominium Instruments or any applicable law, ordinance or governmental regulation, which may be authorized by a two-thirds (2/3) Majority Vote at a meeting of the Association;

(b) The Board of Directors shall have the duty to:

(1) enforce or cause to be enforced the provisions of the Condominium Act, the Condominium Instruments, and the Rules and Regulations;

(2) do or cause to be done by an appropriate Officer all acts and things required by the Condominium Act or the Condominium Instruments to be performed by an Officer; and

(3) do or cause to be done any other act or thing not inconsistent with the Condominium Instruments or any law, ordinance or governmental regulation, as may be directed by a two-thirds (2/3) Majority Vote at a meeting of the Association.

(c) Other powers and duties of the Board of Directors are set forth in Sections 2.2, 2.3. 2.4(a), 3.2, 3.5, 3.6(c), 3.6(d), 3.7(d), 3.11, 4.2, 4.3, 4.4, 5.2, 6.1, 6.2, 6.3, 6.4, 7.1, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 7.10, (b), (e), (f), (g), (h), (j), (l), and (m), 7.11, 8.1, 8.2, 8.3, 8.4, 8.6, 8.7, 9.2, 9.2, 9.3, 9.4, 9.5, 10.2, 11.1, 11.2, and 13.1 of these By-Laws.

(d) The Board of Directors may, by resolution or pursuant to a contract authorized by a resolution of the Board, delegate (with or without conditions) to a Managing Agent and/or to specified Officer(s), the performance of such duties and services as the Board of Directors shall authorize, including, but not limited to, all of the duties listed in the Virginia Condominium Act, the Declaration and these By-Laws; provided, however, where a Managing Agent does not have the power to act under the said Condominium Act, the Declaration or these By-Laws, such duties shall be performed as advisory to the Board of Directors. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by the said Condominium Act, the Declaration and these By-Laws, except the following powers:

(1) to adopt the annual budget and any amendments thereto or to assess any Common Expenses; and

(2) to adopt, repeal or amend any Rules and Regulations; and

(3) to designate signatories on Association bank accounts; and

(4) to borrow money on behalf of the Association; and

(5) to acquire and pledge Units as security for loans; and

(6) to allocate Limited Common Elements;

(7) to grant easements affecting the Condominium; and

(8) to designate or grant interests in Reserved Common Elements.

Any duties performed by the Managing Agent shall be carried out pursuant to a written contract which must provide that the contract may be terminated with cause on no more than fifteen (15) days' written notice and without cause on no more than ninety (90) days' written notice. The term of any such contract may not exceed one year.

Section 3.8. Compensation. No Director shall receive any compensation from the Association for serving as a Director.

Section 3.9. Validity of Contracts with Interested Directors. No contract or other transaction between the Association and one or more of its Board of Directors or between the Association and any corporation, firm, or association in which one or more of the Board of Directors are directors or officers, or are financially interested, shall be void or voidable because such Director(s) is present at any meeting of the Board of Directors which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

(a) The fact that a member of the Board of Directors is also such a director or officer or has such financial interest is disclosed or known to the Board of Directors and is noted in the minutes thereof, and the Board of Directors authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such member or members of the Board of Directors; or

(b) The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

Section 3.10. Inclusion of Interested Members of the Board of Directors in the Quorum. Any member of the Board of Directors holding such director of officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.9 hereof.

Section 3.11. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association, including the Management Agent, handling or responsible for Association funds shall furnish fidelity bonds in an amount not less than 150% of the annual budget of the Association. The premiums on such bonds shall be paid by the Association and shall be a common expense of the Association.

ARTICLE 4

Officers

Section 4.1. Meaning. For the purposes of this Article only, the term "Officer" does not include any member of the Board of Directors in his capacity as a Director.

Section 4.2. Designation, Appointment and Term. The Officers of the Association shall include a President, a Vice-President, a Secretary, a Treasurer, the members of any committees created by the Board of Directors, and such other Officers having such titles and duties as the Board may from time to time determine by resolution. All Officers shall be appointed by the Board to serve at the pleasure of the Board, except that the Board may give to the chairman of a committee the power to appoint and/or remove other members of his committee. The offices of President, Vice-President and Secretary shall be held by three (3) different individuals, but those individuals or any other individuals may hold any number of other offices. The President, Vice-President and Secretary must be members of the Board of Directors and shall cease to hold their offices when they cease to be Directors.

Section 4.3. Duties. It shall be the duty of:

(1) the President, to preside at meetings of the Association and the Board of Directors; to see to the execution of the resolutions of the Association and the Board and to report to each on any failure of any of its resolutions to be executed; to appoint a Secretary *pro tem* at any meeting at which the Secretary is absent; to prepare and execute in recordable form the amendments contemplated by the last sentence of Section 7.9 of these By-Laws.

(2) the Vice-President, to act in the place and stead of the President in the event of the President's absence or failure or inability to act;

(3) the Secretary, to keep the minutes and record the resolutions at all meetings of the Association and the Board of Directors; to give notice pursuant to Section 2.5 of these By-Laws to each Unit Owner of each meeting of the Association; to record all amendments to the Condominium Instrument; to give notice pursuant to Section 3.2 of these By-Laws to each Director of each special meetings of the Board; to give each Unit Owner the budgetary and other information specified by Section 7.1(b) through (g) of these By-Laws; to give notice to each Unit Owner of each assessment against his Unit as soon as practicable after the assessment is made; to give notice and a copy of any Rules and Regulations or amendments thereto to each Unit Owner as soon as practicable after the adoption thereof by the Board of Directors; to record amendments pursuant to Section 7.9 of these By-Laws; to give notices relating to insurance as provided in Section 8.1(a) of these By-Laws; to give notices to Mortgagees as provided in Sections 10.2 and 10.3 of these By-Laws; to give any other notices to Unit Owners or to Mortgagees required by these By-Laws or by the Condominium Act; and to make it possible for any Unit Owner to inspect and copy, at

reasonable times and by appointment, the minutes of the proceedings of the Association and of the Board; provided, however, that the Board may delegate any of the Secretary's duties to the Managing Agent;

(4) the Treasurer, to collect all assessments and other sums due the Association from each Unit Owner; to open accounts with financial institutions or money market funds designated by the Board and to deposit therein all income of the Association, except that no accounts will be opened with money market funds unless approved by a unanimous resolution of the Board; to disburse the funds of the Association only in accordance with the resolutions of the Board of Directors; to keep orderly books showing the income and expenditures of the Association; to make those books available for inspection and copying by any Unit Owner at reasonable times and by appointment; to provide the accounting required by Section 7.1(d) of these By-Laws; and to prepare and deliver to the President or Vice-President the certificate required by Section 7.4 of these By-Laws; provided, however, that the Board may delegate any of the Treasurer's duties to the Managing Agent;

(5) each Officer, to perform such duties as are normally associated with his office in parliamentary organizations, except to the extent (if any) inconsistent with the Condominium Instruments or the Condominium Act, and to perform such other duties as may be assigned to his office by resolution of the Board of Directors.

Section 4.4. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations shall be executed by the President, the Treasurer, or by any other Officer(s) designated from time to time by resolutions of the Board of Directors. The Board may require that instruments involving more than a specified amount of money to be signed by two different Officers. The Board may authorize instruments involving less than a specified amount of money to be signed by persons designated by the Managing Agent.

Section 4.5 Compensation of Officers. No Officer shall receive any compensation from the Association for acting as an Officer, except to the extent authorized by a Majority Vote at a meeting of the Association after the period of Declarant control.

ARTICLE 5

Liabilities and Responsibilities of the Association and its Officers and Directors

Section 5.1.

(a) The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative (other than an action by or in the right of the Association) by reason of the fact that such person is or was an Officer or Director of the Association, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding, provided that such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that the conduct in question was unlawful.

(b) The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that such person is or was an Officer or Director of the Association, against expenses, including attorneys' fees, actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, provided that such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court shall deem proper.

(c) The liability of any Unit Owner arising out of any conduct by the Officers, Directors or the Managing Agent or out of the aforesaid indemnity in favor of the Officers and Directors or for damages as a result of injuries or damage arising in connection with the Common Elements solely by virtue of his ownership of an interest therein, or for liabilities incurred by the Association, shall be limited to the total liability multiplied by his Common Element Interest.

(d) Every contract or other agreement made on behalf of the Association by Officers and Directors or the Managing Agent, if obtainable, provide that the Officers and Directors or the Managing Agent, as the case may be, are acting only as agents for the Association and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to the total liability thereunder multiplied by his Common Element interest.

(e) The Association shall be responsible for upkeep of the components in accordance with the Schedule of Upkeep Responsibilities attached hereto as Schedule A. The Association shall not be liable for any failure of water supply or other utilities, or for injury or damage to any person or property caused by natural elements, or by any Unit Owner or other person, except as otherwise provided in

Schedule A hereof. Notwithstanding the foregoing, no Unit Owner or occupant of any Unit shall be relieved hereby of any liability for damages to persons or other Units or any Common Elements which are caused by the negligence of such Unit Owner or occupant of a Unit, except as expressly otherwise provided in the Condominium Instruments. No diminution or abatement or any assessments for Common Expenses shall be claimed or allowed for any reason whatsoever, including (without limitation) inconvenience or discomfort arising from upkeep of the Common Elements or from any action taken by the Association, any Officer(s), Director(s), the Managing Agent or any Unit Owner(s) to comply with any law, ordinance or other governmental regulation or order.

Section 5.2 Directors and Officers Insurance. The Association shall obtain for its benefit and that of its officers and directors such insurance coverage as may be reasonably necessary in order to effectively indemnify the officers and directors of the Association as provided in this Article. The cost of said insurance shall constitute a Common Expense.

Section 5.3 Common or Interested Officers. Each Officer or Director shall exercise his powers and duties in good faith and with a view to the best interest of the Association. No contract or other transaction between the Association and any of its Officers, Directors or between the Association and any person (including the Declarant) in which any of the Officers of Directors or directors or officers, or are pecuniarily or otherwise interested, is either void or voidable because any such Officer or Director is present at the meeting which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if:

(a) the fact of the common directorate or interest is disclosed or known to all of the individuals who have authority to, and do in fact, authorize, enter into, or ratify the contract or transaction in question and such knowledge is noted in the minutes; or

(b) the contract or transaction is commercially reasonable to the Association at the time it is authorized, approves or ratifies any contract or transaction, and may vote thereat to authorize, enter into, or ratify any contract or transaction with like force and effect as if such Officer were not so interested.

ARTICLE 6

Managing Agent

Section 6.1. Selection. The Board of Directors may, but shall not be obligated to, employ on behalf of the Association a Managing Agent. The contract with the Managing Agent must have a term not in excess of one (1) year and must provide that it may be terminated, without payment of a termination fee or cancellation charge, without cause on no more than ninety (90) days' written notice and with cause on no more than fifteen (15) days' written notice.

<u>Section 6.2.</u> <u>Powers and Duties</u>. Subject to Section 3.7(d) of the By-Laws, any Managing Agent shall have such powers and duties as may be delegated to it or imposed upon it by the Board of Directors pursuant to the Managing Agent's contract.

<u>Section 6.3.</u> <u>Standards</u>. The Board of Directors may impose appropriate standards of performance upon an Managing Agent employed pursuant to Section 6.1 of these By-Laws and, unless instructed otherwise by the Board of Directors and Managing Agent shall:

(1) employ the accrual method of accounting;

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

(3) not commingle cash accounts of the Association with any other accounts;

(4) not accept any renumeration from any third persons providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees or otherwise, and shall credit to the benefit of the Association any discounts obtained;

(5) disclose in advance to the Board of Directors any financial or other interest which the Managing Agent may have in any person providing goods or services to the Association;

(6) prepare an annual budget for each fiscal year of the Association on an accrual basis with a twelve-month cash flow projection;

(7) prepare quarterly financial reports for the Board of Directors containing:

(i) an Income Statement reflecting all income and expense activity for the preceding quarter on an accrual basis;

(ii) an Account Activity Statement reflecting all receipts and disbursements for the preceding quarter on a cash basis;

(iii) an Account Status Report reflecting the status of all accounts in an "actual" (versus "projected") budget format;

(iv) A Balance Sheet reflecting the financial condition of the Association on an unaudited basis;

(v) a Budget Report reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves or ten percent (10%) of any major budget category (as distinct from a specific line item in an expanded chart of accounts); and

(vi) a Delinquency Report listing all Unit Owners who are delinquent in paying condominium assessments and describing the status of any actions to collect such assessments.

ARTICLE 7

Operation of the Property

Section 7.1. Determination of Common Expenses and Assessments Against Unit Owners.

(a) Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by resolution of the Board of Directors.

(b) Preparation and Approval of Budget. Before each annual meeting of the Association (or, during the period Declarant control, before the beginning of each fiscal year), the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount considered necessary for the next fiscal year to pay the Common Expenses, including (without limitation) reasonable amounts necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements. If the period of Declarant control has ended, the budget shall be presented and may be modified at the annual meeting of the Association. Within ten (10) days after each annual meeting, the Secretary shall send to each Unit Owner a copy of the budget in a reasonably itemized form setting forth the amount of the Common Expenses and the amounts and due dates of the assessments (and installments thereof) payable by that Unit Owner for each Condominium Unit owed by him.

(c) Reallocation of Assessments. Within thirty (30) days after any change in the number of Units in the Condominium, the Board of Directors shall adjust the budget, allocating assessments against all the Condominium Units, and the Secretary shall send to each Unit Owner a copy of the adjusted budget reflecting the liability of all Condominium Units for Common Expenses for the remainder of the fiscal year; provided, however, that if the assessments necessary to fund the budget will not be modified as to any particular Units, such notification need not be given to the Unit Owners thereof. The amount of assessments attributable to each Condominium Unit shall thereafter be the amount specified in the adjusted budget until a new budget shall have been adopted by the Board of Directors.

(d) Assessment and Payment of Common Expenses. Subject to the provisions of Section 11.1(a) of these By-Laws, the total amount of the estimated funds required from assessments for the operation of the Association and the Condominium as set forth in any budget or adjusted budget adopted by the Board of Directors shall be assessed against each Unit in proportion to its Percentage Interest.

On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Unit Owner shall be obligated to remit to the Treasurer or the Managing Agent (as determined by the Board of Directors), one-twelfth (1/12) of such assessments. Within thirty (30) days after the end of each fiscal year, the person who served as Treasurer on the last day of that fiscal year shall supply to all Unit Owners an itemized accounting of the Common Expenses for such fiscal year actually paid, together with a tabulation of the amounts collected pursuant to the budget for such fiscal year, and showing net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited pro rata in accordance with the Percentage Interests among the Condominium Units against the next monthly installments due with respect to each such Unit. Any net shortage shall be assessed promptly against the Unit Owners in proportion to their respective Common Element Interests and shall be due either in full with the next monthly assessment due or, if the Board of Directors so determines, in a number of equal monthly installments sufficient to make up the shortage within a period ending not later than the end of the then current fiscal year.

(e) Reserves. The Association shall accumulate and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. If the reserves are inadequate for any reason, including (without limitation) the nonpayment of any assessments, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Units in proportion to their respective Percentage Interests and which shall be payable in a lump sum or in installments as the Board may determine. The Secretary shall give notice of any such further assessment to each Unit Owner, giving the reason(s) therefore. All Unit Owners shall be obligated to pay such further assessment either in full with the next monthly installment due or, if the Board of Directors so determines, in a number of equal monthly installments sufficient to make up the shortage within a period ending no later than the end of the then current fiscal year.

(f) Special Assessments. In the event extraordinary expenditures included in the annual budget become necessary during the year, the Board of Directors may at any time levy a special assessment, which shall be assessed against the Condominium Units in proportion to the respective Percentage Interests in the Common Elements appertaining to each of said Units set forth in the Declaration of Condominium, as the same may be amended from time to time. Said special assessments may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such special assessment on all Unit Owners by a statement in writing giving the amount and reason therefor, and such special assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due after delivery or mailing of such notice of special assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if the special assessment is not payable in installments, the amount of such assessment. The payment and collection of the assessment made pursuant to the foregoing provisions shall be in accordance with the terms providing for payment and collection of assessments in these By-Laws and the Condominium Act, including without limitation, the right reserved to the Board to accelerate payment of assessments and the right to recovery of attorney's fees and costs.

Notwithstanding anything to the contrary herein contained, any special assessment in excess of fifteen percent (15%) of the total annual budget of the Condominium in any twelve (12) month period shall be effective only with the approval of a majority of the Unit Owners.

(g) Initial Assessments and Capital Contributions.

(1) Upon taking office, the first Board of Directors designated pursuant to these By-Laws shall determine the budget of the Association for the remainder of the fiscal year in which such designation occurs. Assessments made against the Condominium Units pursuant to this subsection shall become due during such period as provided in subsection (d) of this Section, except that the assessments made as provided in this subsection of this Section shall be due and payable in equal monthly installments on the first day of each month remaining in that fiscal year.

(2) The Declarant, as the agent of the Board of Directors, shall collect from the first Purchaser of each Unit at the time of settlement an "initial capital contribution" equivalent to twice the monthly installment payment for the annual Common Expense assessment against such Purchaser's Condominium Unit, based either on the assessments for the then current fiscal year or, if the Declarant's contract of sale with the Purchaser so provided, on the assessments for the fiscal year in which the contract was made. The Declarant will deliver the funds so collected to the Board to provide working capital for the Association. Such funds may be allocated to reserves or used for such other Common Expenses (including, without limitation, any personal property deemed necessary for the operation or maintenance of the common Elements) as the Board may determine. Any such personal property may include, without limitation, items such as file cabinets, typewriters, other office supplies and equipment, gardening equipment, and snow removal equipment.

(h) Effect of failure to Prepare or Adopt Budget. Failure or delay in preparing or adopting a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his share of the Common Expenses whenever the same shall be determined and, in the absence of any budget for the then current fiscal year, each Unit Owner shall continue to pay monthly installments at the rate established for the previous fiscal year until delivery of the monthly installment schedule.

(i) Assessments to Constitute a Lien. All amounts assessed against or otherwise due from a Unit Owner shall constitute a lien against that Unit Owner's Condominium Unit(s) as provided in Section 11.2 of these By-Laws.

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

Section 7.2. Liability for Assessments. Each Unit Owner shall be personally liable for all assessments against him or his Condominium Unit(s) and such assessments not paid by the 15th day of each month shall be in default. No Unit Owner may avoid liability for any assessment by waiver, non-use or abandonment of any right or real estate. The new Unit Owner of a Condominium Unit shall be jointly and severally liable with the former Unit Owner thereof for all unpaid assessments against that Condominium Unit which became due before the new Unit Owner acquired title thereto, without prejudice to any right of a successor in title to receive from any of his predecessors in title any amount for which any of the latter was liable.

Section 7.3. Non-Liability for Assessments. No person shall have any liability with respect to assessments for installments thereof becoming due as to a Condominium Unit after he has ceased to be the Unit Owner thereof.

Section 7.4. Certificate as to Status of Payment. Upon written request of any Unit Owner or Purchaser, the Treasurer shall furnish or make available within five (5) business days to the person requesting it a dated and recordable certificate setting forth the amount of any unpaid assessments or installments thereof that have become due as to the Condominium Unit in question as of the date of that certificate. A reasonable charge not to exceed the maximum specified by Section 55-79.84(h) of the Code of Virginia may be fixed from time to time by resolution of the Board of Directors for the issuance of such certificate. Notwithstanding any other provision of these By-Laws, a bona fide Purchaser of a Unit who has relied upon such a certificate shall not be liable for any assessments or installments thereof which became due before the date of that certificate and which are not reflected thereon. If a mortgagee of a first mortgage of record obtains title to a Unit as a result of foreclosure or deed in lieu of foreclosure of a first mortgage, such purchaser, its successor and assigns, shall not be liable for, and such Unit shall be subject to a lien for the payment of Common

Expenses assessed prior to the acquisition of such sale or deed in lieu of foreclosure. Such unpaid share of Common Expenses assessed prior to the acquisition of title to such Unit by such purchaser pursuant to the foreclosure shall be collectible from all Unit Owners, including the purchaser at the foreclosure sale or the grantee of any deed in lieu of of foreclosure in proportion to their respective Percentage Interests in the Common Elements.

Section 7.5. Collection of Assessments. The Board of Directors, or the Managing Agent or any Officer(s) at the request of the Board, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date thereof.

Section 7.6. Upkeep of the Condominium.

(a) Upkeep by the Association. Subject to Paragraph (2) of subsection (b) of this Section, the Association (acting through the Board of Directors and/or the Managing Agent) shall be responsible for the Upkeep of all Common Elements, and the cost of such Upkeep shall be a Common Expense.

(b) Upkeep by the Unit Owner.

(1) Each Unit Owner shall be responsible for the Upkeep of his Unit, including keeping it and its equipment, appliances and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit. In addition, each Unit Owner shall be responsible for all damage to any other Unit or to any Common Element resulting from his failure to perform any of the Upkeep required by this Section. Each Unit Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to a Director or the Managing Agent any defect or need for Upkeep for which the Association is responsible.

(2) The Unit Owner of any Unit to which a Limited Common Element is exclusively assigned shall be responsible for keeping it in a clean and sanitary condition.

(c) Chart of Upkeep Responsibilities. Notwithstanding the provisions of subsections (a) and (b), specified Upkeep responsibilities shall, to the extent set forth thereon, be governed by the Chart of Upkeep Responsibilities set forth as Schedule A attached hereto.

(d) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of the same or better quality.

Section 7.7. Personnel and Equipment. The Board of Directors, and the Managing Agent and any Officer(s) to the extent authorized by the Board, may, on behalf of the

Association in connection with the operation and Upkeep of the Condominium and the operation of the Association, employ and dismiss any persons and purchase any equipment, supplies or material. Such equipment, supplies and material, to the extent that any of it remains personal property rather than becoming part of the Condominium, shall be the property of the Association.

Section 7.8. Additions, Alterations or Improvements by the Board of Directors. Except during the period of Declarant control, whenever in the judgment of the Board of Directors it is desirable to make additions, alterations or improvements to the Common Elements costing in the aggregate more than Fifteen Thousand Dollars ($15,000.00) during any period of twelve consecutive months, the making of such additions, alterations or improvements shall be approved by a Majority Vote at a meeting of the Association. The dollar limitation fixed by this Section shall increase annually by a percentage equal to the percentage increase in the annual budget of the Association. Notwithstanding the foregoing, and notwithstanding any other provisions of these By-Laws, if the Board determines that additions, alterations or improvements to the Common Elements are exclusively or substantially exclusively for the benefit of the Unit Owner(s) requesting the same, the cost thereof shall be assessed exclusively against such requesting Unit Owner(s) pursuant to Section 55-79.83(a) or (b) of the Code of Virginia in such proportions as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board.

Section 7.9. Additions, Alterations or Improvements by the Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit without the prior written consent of the Board of Directors. No Unit Owner shall paint or alter the exterior of his Unit, including the doors and windows, nor shall any Unit Owner paint or alter any Common Element, without the prior written consent of the Board. The Board shall answer any written request by a Unit Owner for approval of proposed structural addition, alteration or improvement to such Unit Owner's Unit within thirty (30) days after receipt of such request. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement in or to any Unit requires execution by or on behalf of the Association, and provided consent has been given by the Board, then the application shall be executed on behalf of the Association only by the President or such other Officer as the Board may by resolution designate, without, however, incurring any liability on the part of the Association or any Officer(s) to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having claim for personal injury or property damage arising therefrom. Subject to the approval of the Board and the Unit Owner(s) and any Mortgagee(s) of the affected Unit(s), and to the Declaration, any Unit may be subdivided or the boundaries between adjoining Units may be relocated. The Secretary shall record any necessary amendments to the Condominium Instruments to effect such action as provided in Section 55-79.69 or 55-79.70 of the Code of

Virginia. The Declarant shall have the right to make such alterations or subdivisions without the consent of the Board or any Mortgagee, and the President of the Association, on behalf of the Board, shall execute any application or authorization required.

<u>Section 7.10.</u> <u>Restrictions on Use of Units and Common Elements</u>.

(a) Each Unit and each Common Element shall be used for non-residential purposes only.

(b) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Condominium except pursuant to a prior resolution of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which could result in the cancellation of insurance on the Condominium or any part thereof, or which would be in violation of any applicable law, ordinance, or other governmental regulation. No waste shall be committed in any Unit or in the Common Elements.

(c) No improper, offensive or unlawful use shall be made of the Condominium or any part thereof, and all applicable laws, ordinances and other governmental regulations, including zoning and land use regulations, shall be complied with by and at the sole expense of the Unit Owner(s) and/or the Association having responsibility for Upkeep of the affected portion(s) of the Condominium.

(d) 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 in accordance herewith.

(e) No Unit Owner shall obstruct any of the Common Elements, nor shall any Unit Owner store anything upon any of the Common elements except within any areas designated for such storage by resolution of the Board of Directors. Vehicular parking upon the Common Elements shall be subject to the Rules and Regulations. Nothing shall be constructed or altered in, or removed from, the Common elements except in accordance with the Rules and Regulations or other resolutions of the Board of Directors.

(f) No Unit Owner shall rent or lease a Unit other than on a written form of lease providing that failure of the lessee to comply with the Condominium Instruments and the Rules and Regulations shall constitute a default under the lease and that, in the event of such default, the Board of Directors or any Officer designated by the Board shall have the power as attorney-in-fact for the Unit Owner to terminate the lease and bring summary eviction proceedings against the tenant if such default is not cured within seven (7) days of sending written notice of the default to the Unit Owner. The Board of Directors may provide a suggested standard form lease for use by Unit Owners. Each Unit Owner shall, promptly following the execution of any lease of a Unit, forward a conformed copy thereof to the Secretary. The provisions of this subsection shall not apply to the Declarant.

(g) Except for such signs as may be posted by the Declarant while the Declarant is a Unit Owner or if otherwise permitted by the Declaration, no signs shall be posted in any place within the Condominium visible from any portion of the Common Elements except pursuant to a prior resolution of the Board of Directors.

(h) No Unit Owner shall install any other equipment of any kind or nature whatsoever which will or may necessitate any changes, replacements, additions to the Condominium's water system, plumbing system, heating system, air-conditioning system or the electrical system, without the prior written consent of the Board of Directors.

(i) Refuse and bagged garbage shall be deposited in the area provided therefor by the Association. The Association shall be responsible for disposing of only that refuse and bagged garbage which has been deposited in such areas designated by the Association.

(j) The Board of Directors of the Association may retain a pass-key to all Units. No Unit Owner or occupant shall alter any lock or intall a new lock, without written consent of the Board of Directors of the Association. Where such consent is given, the Unit Owner shall provide the Association with an additional key for the use of the Association, pursuant to its right of access.

(k) No Unit Owner shall make or permit any disturbing noises by himself, his family, his servants, employees, agents, visitors and licensees, nor do or permit anything by such persons that will interefere with the rights, comforts or convenience of other Unit Owners.

(l) No radio or television installation, or other wiring, shall be made without the written consent of the Board of Directors. Any antenna or aerial erected or installed on the exterior walls of a Unit or on the Common Elements of the Condominium, which includes the roof, without the consent of the Board of Directors, in writing, is liable to removal or disposal thereof without notice and at the cost of the Unit Owner for whose benefit the installation was made.

(m) Each unit and the Common Elements shall be occupied and used in compliance with the Rules and Regulations which may be promulgated and amended by the Board of Directors. Copies of the Rules and Regulations shall be furnished by the Board of Directors to each Unit Owner. Amendments to the Rules and Regulations shall be conspicuously posted prior to the time when the same shall become effective and copies thereof shall be furnished to each Unit Owner upon request.

<u>Section 7.11. Right of Access</u>. Pursuant to Section 55-79.79(a) of the Code of Virginia, there is hereby reserved a right of access through each Unit for the benefit

of the Board of Directors, the Managing Agent, any person(s) authorized by the Board or Managing Agent, and any group of the foregoing, for the purpose of enabling the exercise and discharge of their and the Association's powers and duties, including (without limitation) making inspections, correcting any condition originating in a Unit and threatening another Unit or the Common Elements, upkeep of the Common Elements within a Unit or elsewhere in the Condominium, and correcting any condition which violates any provision of the Condominium Instruments, the Rules and Regulations, or any Mortgage. Requests for entry shall be made in advance, and any such entry shall be made at a time reasonably convenient to the Unit Owner, provided, however, that in case of an emergency such right of entry shall be immediate, whether the Unit Owner is present at the time or not, and no notice or permission shall be necessary. Notwithstanding the foregoing, no cause of action of any kind whatsoever shall arise against the Board of Directors, the Managing Agent, any persons authorized by the Board or Managing Agent, the Association, or any group of the foregoing, on account of their failure to inspect or otherwise ascertain any defects or conditions associated therewith, which occur in the Unit.

Section 7.12. Disclaimer of Bailee Liability. Neither the Association, the Board of Directors, any other Officer(s), the Managing Agent, nor any Unit Owner(s) shall be considered as a bailee of any personal property placed anywhere within the Condominium and shall not be responsible for the security of such personal property or for any loss thereof or damage thereto from any cause, whether or not attributable to negligence, except to the extent covered by insurance in excess of any applicable deductible.

ARTICLE 8

Insurance

Section 8.1. Authority to Purchase.

(a) Except as otherwise provided in Section 8.5 of these By-Laws, all insurance policies relating to the Condominium shall be purchased by or on behalf of the Association. Neither the Association, any Officer(s), the Managing Agent, nor the Declarant shall be liable for failure to obtain any coverages required by this Article due to the unavailability of such coverages from reputable insurance companies or if such coverages are so available only at demonstrably unreasonable cost. The Secretary shall, pursuant to Section 55-79.81(b) of the Code of Virginia, promptly furnish to each Unit Owner written notice of the procurement, subsequent changes in, and the termination of all insurance coverage obtained on behalf of the Association.

(b) Each such policy shall provide, to the extent reasonably available at reasonable rates, that:

(1) the insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Officers, the Managing Agent, the Unit Owners, and their respective agents, employees and invitees;

(2) such policy shall not be cancelled, invalidated or suspended due to the conduct of any Officer(s), Unit Owner(s), Managing Agent, or any invitee, agent, officer, or employee of any of the foregoing without a prior demand in writing to the Board of Directors or the Managing Agent (whichever is applicable) that the defect be cured, followed by failure to so cure the defect within sixty (60) days after such demand; and

(3) such policy shall not be cancelled or substantially modified for any reason (including nonpayment of premium) without at least sixty (60) days prior written notice to the Board of Directors and the Managing Agent and, in the case of physical damage insurance, to all Mortgagees; and

(4) that the net proceeds of such policies shall be payable to the Insurance Trustee designated hereunder; and

(5) that the Master Insurance policy shall contain a standard mortgage clause in favor of each Mortgagee of a Unit to the extent of the portion of the coverage of the Master policy allocated to such Unit, which shall provide that the loss, if any, thereunder shall be payable to such Mortgagee and the Unit Owner as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee, if one is designated; and

(6) that the "no control" clause be part of the Master policy which states that coverage must not be prejudiced by (a) any act or neglect of the Owners of the Condominium Units when such act or neglect is not within the control of the Association or (b) any failure of the Association to comply with any warranty or condition regarding any portion of the premises over which the Association has no control; and

(7) the Declarant, so long as Declarant shall own any Unit(s), shall be protected by all such policies as a Unit Owner.

(c) All policies of insurance shall be written by reputable companies licensed to do business in the Commonwealth of Virginia. Physical damage policies shall be in the form and substance acceptable to the Mortgagees holding first mortgages or first deeds of trust on a majority of the Units.

<u>Section 8.2.</u> <u>Physical Damage Insurance</u>.

(a) The Board of Directors shall obtain and maintain a blanket, "all-risk" form policy of fire insurance with extended coverage, vandalism, malicious mischief, windstorm, sprinkler leakage (if applicable), debris removal, cost of demolition and water damage endorsements, and such other coverages as may be appropriate under such "all-risk" policy, insuring all of the Units and the bathroom and kitchen fixtures, service machinery, and other appliances and appurtenances installed therein by Declarant, and all of the Common Element improvements (other than improvements such as curbs, gutters, and other items not normally insured). Such insurance shall cover the interests of the Association, the Board of Directors and all Unit Owners and their Mortgagees, as their interests may (subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors as Insurance Trustee contained in Section 8.6 and 8.7 of these By-Laws), and shall be in an amount equal to one hundred percent (100%) of the then current replacement cost of the Condominium (exclusive of land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation, such amount to be determined annually by the Board of Directors with the assistance of the Managing Agent, the insurance company affording such coverage, and (if the Board so resolves) a qualified appraiser of real estate.

(b) Such policy shall also provide:

(1) a waiver of any right of the insurer to repair, rebuild or replace any damage or destruction if a decision is made pursuant to Section 9.5 of these By-Laws not to do so and, in such event, that the insurer shall pay on the basis of the agreed amount endorsement;

(2) the following endorsements (or equivalent):

(i) "no control" (to the effect that coverage shall not be prejudiced by any act or neglect of any Unit Owner, occupant, or other person or such act or neglect is not within the control of the insured, nor by any failure of the insured or any other person to comply with any warranty or condition concerning any portion of the Condominium not controlled by the insured);

(ii) "contingent liability from operation of building laws or codes";

(iii) "increased cost of construction" or "condominium replacement cost"; and

(iv) "agreed amount" or elimination of co-insurance clause;

(3) that any "no other insurance" clause excludes individual Unit Owners' policies from its operation so that the physical damage policy purchased on behalf of the Association 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 on behalf of the Association hereunder be brought into contribution with the insurance purchased by individual Unit Owners or their Mortgagees unless otherwise required by law; and

(4) that a duplicate original of such policy, all renewals thereof, and any subpolicies or certificates and endorsements issued thereunder, together with proof of payment or premiums, shall be delivered by the insurer to any Mortgagee whose request therefore is received by the insurer at least thirty (30) days prior to expiration of the then current policy.

Section 8.3. Liability Insurance. The board of directors shall obtain and maintain comprehensive general liability insurance (including, without limitation, coverage of all Officers and Directors against libel, slander, false arrest, invasion of privacy, and Directors and Officers' Liability coverage) and property damage insurance in such limits and with such deductibles as the Board may from time to time determine, insuring the Association, each Officer, Director, the Managing Agent, each Unit Owner and the Declarant against liability to the public or to the Unit Owners (and their invitees, agents, employees, and members of their households) arising out of or incident to the ownership and/or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) a cross liability endorsement under which the rights of a named insured shall be prejudiced with respect to his action against another named insured; (ii) hired and non-owned vehicle coverage; (iii) host liquor liability coverage with respect to events sponsored by the Association; (iv) deletion of the normal products exclusion with respect to events sponsored by the Association; and (v) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts or omissions of the Association, any Officer(s), or any other Unit Owner(s). The Board shall review such limits once a 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" or excess 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).

Section 8.4. Other Insurance. The Board of Directors shall obtain and maintain:

(a) adequate fidelity coverage to protect against dishonest acts on the part of Officers, agents and employees of the Association and all others who handle or are responsible for handling funds of the Association. Such fidelity bonds shall: (i) name the Association as an obligee; (ii) be written in an amount not less than the total annual assessments for Common Expenses for the then current fiscal year; and (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" of similar expression;

(b) worker's compensation insurance if and to the extent necessary to meet the requirements of law; and

(c) such other insurance or coverage as the Board of Directors may determine or as may be required from time to time by resolutions of the Association.

Section 8.5. Separate Insurance. Each Unit Owner shall have the right, at his own expense, to obtain insurance for his own Unit and for his own benefit, including insurance coverage on his personal property, for his personal liability, and on any improvements made by him to his Unit under coverage normally called "tenant's improvements and betterments coverage;" provided, however, that no Unit Owner shall acquire or maintain insurance coverage so as to decrease the amount which the Association may realize under any insurance policy, or to cause any insurance coverage in favor of the Association to be brought into contribution with insurance coverage obtained by a Unit Owner. All policies obtained by Unit Owners individually shall contain waivers of subrogation against insured under the Master policy and other such policies obtained pursuant to this Article VIII. No Unit Owner shall obtain separate insurance on the Condominium except as provided in this Section.

Section 8.6. Insurance Trustee. All physical damage insurance policies purchased by or on behalf of the Association shall be for the benefit of the Association, the Unit Owners, and their Mortgagees as their respective interests may appear, and and shall provide that all proceeds of such policies shall be paid in trust to the Board of Directors as Insurance Trustee to be applied pursuant to the terms of Article 9 of these By-Laws. The sole duty of the Board of Directors as Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes stated in Article 9 of these By-Laws, for the benefit of the insureds and their beneficiaries thereunder.

Section 8.7. Board of Directors as Agent. The Board of Directors as Insurance Trustee is hereby irrevocably constituted as agent for the Association, each Unit Owner, each Mortgagee, other named insureds and their beneficiaries, and any other holder of a lien or other interest in the Condominium, to adjust and settle all claims arising under insurance policies purchased by the Board and to execute and deliver releases upon the payment of claims. The Insurance Trustee shall not be liable for the payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or content of the policies, the correctness of any amounts received by it on account of the proceeds of any insurance policies, nor the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in these By-Laws.

ARTICLE 9

Repair and Reconstruction After Fire or Other Casualty

Section 9.1. When Repair and Reconstruction are Required. Except as otherwise provided in Section 9.5. of these By-Laws, in the event of damage to the Condominium as a result of fire or other casualty, the Board of Directors shall arrange for the prompt repair and restoration thereof, including any damaged Units, but not including anything installed in any Unit by any Unit Owner who is not the Declarant. Any such repair and restoration shall be substantially in accordance with the original construction and installation, subject to any modifications required by changes in applicable laws, ordinances, and other governmental regulations, and using, to the extent feasible, such contemporary materials and technology as may then be available.

Section 9.2. Cost Estimates. Immediately after a fire or other casualty causing damage to any building, the Board of Directors shall obtain reliable and detailed estimates of the costs of the repair and restoration contemplated by Section 9.2 of these By-Laws to a condition as good as that existing before such casualty. Such costs shall include professional fees and premiums for such bonds as the Board of Directors as Insurance Trustee may determine to be necessary.

Section 9.3. Insufficiency of Insurance Proceeds. 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 insurance proceeds are insufficient for the payment of the costs thereof, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacements and/or a special assessment therefor may be levied, as the Board of Directors shall decide.

Section 9.4. Disbursements of Construction Funds.

(a) Construction Fund and Disbursement Thereof. Any proceeds of insurance collected on account of any casualty, any sums appropriated by the Board of Directors from reserves, and any sums received from collections of special assessments on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of repair and reconstruction in the following manner:

(1) If the estimated cost of reconstruction and repair is less than Twenty-Five thousand Dollars ($25,000.00), the construction fund shall be disbursed in payment of such costs upon resolutions of the Board of Directors; provided, however, that upon written request of one-fifth (1/5) of the Mortgagees (based upon one vote for each first deed of trust or first mortgage owned), such fund shall be disbursed in accordance with the following paragraph (2).

(2) If the estimated cost of reconstruction and repair is Twenty-Five Thousand Dollars ($25,000.00) or more, then the construction fund shall be disbursed in payment of such costs upon resolutions of the Board of Directors following or contingent upon approval of an

architect qualified to practice in Virginia and employed by the Board 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, and stating that: (i) the sums requested in payment are justly due and owing to the persons requesting them, and 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 requested sums.

(b) Surplus. If there is a balance in the construction fund after the payment of all of the costs of the repair and reconstruction for which the construction fund is established, such balance shall be credited to all Unit Owners in proportion to their respective Percentage Interests against their respective liabilities for assessments then due or thereafter becoming due.

(c) Priority of Common Elements Over Unit. If the damage is to both Common Elements and Units, the construction fund 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.

(d) Certificate. The Board of Directors as Insurance Trustee shall be entitled to rely upon a certificate executed by the President or Vice President, and the Secretary, certifying: (1) whether the damaged Property is required to be repaired or reconstructed; (2) the name of the payee and the amount to be paid with respect to each disbursement from the construction fund; and (3) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the Board of Directors as Insurance Trustee promptly upon request.

Section 9.5. When Repair or Reconstruction Is Not Required. If the Board of Directors resolved not to repair insubstantial damage to the Common Elements, the Board of Directors shall cause to be removed all debris, with the site of the damage restored to a condition compatible to the extent feasible with the remainder of the Condominium, and the balance of any insurance proceeds received on account of such damage shall be credited to all Unit Owners in proportion to their respective Common Element Interests against their respective liabilities for assessments then due or thereafter becoming due. If the Condominium shall be terminated pursuant to Section 55-79.72 of the Code of Virginia, the net assets of the Association shall be divided by the Board of Directors among all Unit Owners in proportion to their respective Percentage Interests. Distributions of such net assets to each respective Unit Owner shall be made after first paying out of the share of each Unit Owner, to the extent sufficient therefor, the amount of any unpaid liens, on his Unit in the order of priority of such liens.

ARTICLE 10

Mortgagees

Section 10.1. Notice to Board of Directors. A Unit Owner who gives a first deed of trust or first mortgage encumbering his Units shall notify the Board of Directors of the name and address of his Mortgagee and shall file a conformed copy of the note and the deed of trust or mortgage with the Board of Directors who shall maintain suitable records of such information.

Section 10.2. Notice of Damages, Condemnation. The Board of Directors shall timely notify: (i) the first Mortgagee of a Unit whenever damage to the Unit covered by the mortgage exceeds $2,000, or whenever the Unit or portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority; and (ii) all known Mortgagees whenever damage to the Common Elements exceeds $20,000, or whenever the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority.

Section 10.3. Other Rights of Mortgagees.

(a) Each Mortgagee shall, upon request, be entitled to notice from the Secretary of any failure by the Unit Owner of the encumbered Unit to pay an assessment for Common Expenses or any other default of such Unit Owner.

(b) The Board of Directors shall give written notice to a Unit Owner of any default by the Unit Owner in the performance of any obligations under the Act or Condominium Instruments, and, if such default is not cured within sixty (60) days, shall promptly send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board of Directors.

(c) Each Unit Owner and each First Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable time and upon reasonable notice, on a business day, but not more often than once a month.

(d) The Board of Directors shall notify all First Mortgagees in writing of the termination of any management contract within ten (10) days of receipt or issuance of any notice of such termination by either the Association or the Managing Agent.

(e) Each First Mortgagee shall be entitled to receive, upon request, a copy of the annual audited financial statement within sixty (60) days following the end of the Association's fiscal year.

(f) Unless at least two-thirds (2/3) of the First Mortgagees (based upon one vote for each first mortgage owned) have given their prior written approval, the Association shall not:

(1) change any Unit's Common Element Interest except as permitted by the Declaration;

(2) partition, subdivide, encumber, sell or transfer the Common Elements of the Condominium (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this clause) except as may be permitted by the Declaration;

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

(4) modify the method of determining and collecting assessments or allocating distributions of casualty insurance proceeds or condemnation awards;

(5) use the proceeds of casualty insurance for any purpose other than replacements, repair or reconstruction of the Units or Common Elements except as permitted by the Condominium Act.

(g) As used in this Article and generally in the Declaration and By-Laws and as further defined in the Condominium Instruments and the Act, "First Mortgage" and the "Mortgagee" includes the holder of a note secured by a First Deed of Trust or Mortgage encumbering a unit and recorded among the land records of Loudoun County, Virginia, and the term "Mortgage" includes any Deed of Trust recorded among the said land records.

(h) Each Mortgagee shall, upon request, be entitled to notice, in writing, of all meetings of the Association. All mortgagees or their representatives shall be entitled to attend meetings of the Association and shall have the right to speak thereat.

(i) Except as otherwise permitted by the Condominium Instruments, the prior written approval of two-thirds (2/3) of all institutional holders of First Mortgages will be required for any material amendment to the Declaration or By-Laws of the Association.

(j) No rights of mortgagees that are created or described in this Article 10, or elsewhere in the condominium instruments, are intended to be nor shall they be construed as providing to any individual mortgagee(s) any rights that exceed the rights of the Unit Owners whose Units are secured by the liens of such mortgages.

ARTICLE 11

Compliance and Default

Section 11.1. Relief. Each Unit Owner shall comply with all provisions of the Condominium Act, the Condominium Instruments, and the Rules and Regulations, as any of the same may be amended from time to time. In addition to the remedies provided in Section 55-79.53 of the Code of Virginia, the Association, acting through any of its Officers or through the Managing Agent, shall be entitled to the following relief:

(a) Additional Liability. Each Unit Owner shall be liable for the expense of all Upkeep by the Association rendered necessary by his act, neglect or carelessness or the act, neglect or carelessness of any of his employees, agents or licensees, but only to the extent that such expense is not covered by the proceeds of insurance maintained by or on behalf of the Association. Such liability shall include any increase in casualty insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

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

(c) No Waiver or Rights. The failure of the Association, any Officer(s), Directors or any Unit Owner(s) to enforce any provision of the Condominium Act or the Condominium Instruments shall not constitute a waiver of the right of the Association, any Officer, Directors or any Unit Owner to enforce such provision in the future. All rights, remedied and privileges granted to the Association, and Officer(s), or any Unit Owner(s) pursuant to any provision of the Condominium Act or the Condominium Instruments shall be deemed to constitute an election of remedies, nor shall it preclude the person(s) exercising the same from exercising such other rights, remedies and privileges as may be granted to such person(s) by the Condominium Instruments or by law.

(d) Interest and Late Charges. If a Unit Owner fails to pay in full any assessment for a period in excess of fifteen (15) days from the due date, the principal amount unpaid shall bear interest from the date due until paid at the rate of fifteen percent (15%) per annum or at such other lawful rate as may be fixed from time to time by resolutions of the Board of Directors. Except as otherwise determined by resolution of the Board, any assessment or installment thereof not paid within five (5) days after becoming due shall accrue a late charge in the amount of Fifteen Dollars ($15.00) or such other amount as may be established from time to time by resolution of the Board of Directors.

(e) Abating Violations Within Units. Any violation under the Condominium Act, the Condominium Instruments or the Rules and Regulations shall give the Board of Supervisors, the Officer, the Managing Agent, any person(s) authorized by the Board or th Managing Agent, and any group of the foregoing, the right, in accordance with Section 7.11 of these By-Laws, to enter the Unit in which such violation exists and summarily to abate and remove, at the expense of the Unit Owner thereof, any condition that may exist therein constituting such a violation.

(f) Legal Proceedings. Violation of any provision of the Condominium Act, the Condominium Instruments, or the Rules and Regulations shall be grounds for relief, including (without limitation) an action or suit: (i) to recover any sums due, (ii) for damages, (iii) for injunctive relief, (iv) to foreclose the lien for assessments, (v) any other relief provided for by the Condominium Act of the Condominium Instruments, (vi) for any other remedy available at law or in equity, and (vii) for any combination of any of the foregoing, all of which relief may be sought by the Association, Directors, and Officer(s), the Managing Agent and in any appropriate case, by any aggrieved Unit Owner(s), and shall not constitute an election of remedies.

(g) Fines. The Board of Directors may levy reasonable fines against any Unit Owner for any violation of the Condominium Act, Condominium Instruments, or the Rule and Regulations, not to exceed one percent of such Unit Owner's annual assessment for each separate violation. No fine may be levied unless and until the Unit Owner is given written notice of such violation; provided, however, that each day thereafter that such violation continues shall constitute a separate violation. Written request by the Unit Owner for a hearing on such violation(s) prior to the imposition of a fine therefor shall suspend the imposition of such fine until such hearing is held. Fines imposed pursuant to this subsection shall be treated as an assessment for the purposes of this Article.

Section 11.2. Lien for Assessments.

(a) Every assessment made against a Condominium Unit or the Unit Owner thereof pursuant to these By-Laws is a lien against that Condominium Unit as provided in Section 55-79.84 of the Code of Virginia, which lien shall be effective as of the date such assessment is made. Any Officer, Director or the Managing Agent may file or record such other or further notice of such lien or such document with respect thereto as may be required by the aforesaid Code Section or by other law to confirm the establishment and priority of such lien.

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

(c) The Lien for assessments may be enforced and foreclosed in any manner provided by law by any proceeding in the name of the Association, Directors or by Officer(s) or the Managing Agent acting on behalf of the Association.

Section 11.3. Subordination and Mortgage Protection. Notwithstanding any other provision of the Condominium Instruments, the lien for any assessment levied pursuant to these By-Laws upon any Unit (and any fines, interest on assessments, late charges or the like) shall be subordinate to the rights of a Mortgagee; provided, however, that such subordination shall apply only to assessments and other charges which have become due and payable prior to a sale or transfer of such Unit to a decree of foreclosure, or any deed or assignment in lieu of foreclosure. Such sale or transfer shall not relieve the new Unit Owner of that Unit from liability for any assessments thereafter becoming due, the lien for which shall have the same effect and be enforced in the same manner as provided herein.

ARTICLE 12

Amendments to By-Laws

Section 12.1. Amendments. These By-Laws may not be modified or amended except as provided in Section 55-79.72 of the Condominium Act; provided, however, that until the expiration of the maximum time permitted by Section 55-79.74(a) of the Condominium Act, (i) Section 2.3. of Article 2, (ii) Section 2.9. of Article 2, (iii) Section 3.1. of Article 3, and (iv) Section 12.1 of this Article 12 may not be amended without the consent in writing of the Declarant, so long as the Declarant shall be the Unit Owner of Units representing twenty-five (25) percent or more of the aggregate Percentage Interests of the Condominium. All amendments to the By-Laws shall be prepared and recorded by the Secretary.

Section 12.2. Approval of Mortgagees. These By-Laws contain provisions concerning various rights, priorities, remedies and interests of Mortgagees. Such provisions in these By-Laws are to be construed as covenants for the protection of such Mortgagees on which they may rely in making loans secured by Mortgages. Accordingly, no amendment or modification of these By-Laws impairing or affecting such rights, priorities, remedies or interests of a Mortgagee shall be adopted unless at least sixty-six and two thirds (66-2/3) percent of the Mortgagees (based on one (1) vote for each mortgage owned) have given their prior written approval.

ARTICLE 13

Miscellaneous

Section 13.1. Notices. All notice, demands, requests, bills, statements or other communications the address of the Unit of such Unit Owner, or (ii) if to the Association, the Board of Directors or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by two or more persons living at different addresses, each such person who so designates an address in writing and files with the Secretary shall be entitled to receive all notices hereunder. Upon any sale or transfer of a Unit by a Unit Owner, the new Unit Owner shall deliver to the Board or its Secretary a copy of the instrument of conveyance and the address and telephone number of the new Unit Owner.

Section 13.2. Captions. The captions herein are inserted only for convenience and reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision thereof.

Section 13.3. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include th plural, and *vice versa*, whenever the context so requires.

Section 13.4. Construction. These Condominium Instruments are intended to comply with all of the applicable provisions of the Condominium Act and shall be so interpreted and applied.

Section 13.5. Condemnation. In the event of a taking in condemnation or by eminent domain, the provisions of Section 55-79.44, Code of Virginia, as amended, shall prevail and govern.

IN WITNESS WHEREOF, the Declarant has caused these By-Laws to be executed by the Route Seven Professional Arts Building Condominium Association, this 11th day of April, 19 88.

By: William H. Reese
William H. Reese,
General Partner

By: Ronald I. Fuller
Ronald I. Fuller,
General Partner

By: Michael M. Vlahos
Michael M. Vlahos

DJS-286.DOC

SCHEDULE A

ROUTE SEVEN PROFESSIONAL ARTS BUILDING CONDOMINIUM

Schedule of Upkeep Responsibilities

1. Unit Owner Repair, Maintenance and Replacement Responsibilities. Unit Owners shall be responsible for the repair, maintenance and replacement of the following items that are located within or appurtenant to their respective Units as defined in the Declaration notwithstanding the actual ownership of such items:

(a) Interior of and all contents within the Unit, including but not limited to:

(i) Lighting fixtures;

(ii) Plumbing fixtures from the connection to the main service line;

(iii) Ceiling tiles and supports;

(iv) Wall surfaces;

(v) Floor surfaces;

(vi) Electrical outlets and wiring serving the Unit;

(vii) Telephone conduits;

(viii) Cabinets; and

(ix) All hardware associated with the foregoing.

(b) All door(s) located within the walls of the Unit, together with any hardware associated therewith.

All repairs and replacements will conform to the original building standards and correspond exactly to the items originally installed in connection with the Unit unless the affected Unit Owner obtains the prior written approval of the Association.

2. Exclusions from Unit Owner Repair, Maintenance and Replacement Responsibilities. The allocation of responsibility to Unit Owners in paragraph 1 hereof may be superseded in certain events, including the following:

(a) Maintenance, repair and replacement of the heating and cooling equipment, thermostat and windows by the Association, the cost of which will be specially assessed to the Unit Owner of the affected Unit to the extent not covered by a comprehensive service contract which the Association may carry;

(b) Casualty to Units due to fire or other disaster covered in the Hazard Insurance Master Policy carried by the Association.

(c) Casualty caused by negligence of the Association in carrying out its maintenance responsibilities, including damage caused by the condition of General Common Elements;

(d) Casualty caused by negligence of another Unit Owner when legal responsibility lies with such Unit Owner;

(e) Coverage of certain items by a comprehensive service contract which the Association may carry.

(f) Coverage of any items by warranty from the Declarant, if any. During the warranty period, the affected Unit Owner shall contact the appropriate party as specified by the Declarant for any necessary adjustments or repairs.

An affected Unit Owner shall give prompt notice to the President of the Association with respect to any item of repair, maintenance or replacement that such Unit Owner believes to be the responsibility of the Association, another Unit Owner, or the Association's insurance carrier. In addition, each Unit Owner shall cooperate fully in the filing of insurance claim forms or service reports.

3. Unit Owner Service Responsibility. Unit Owners shall be responsible for provision of the following services with respect to their Units:

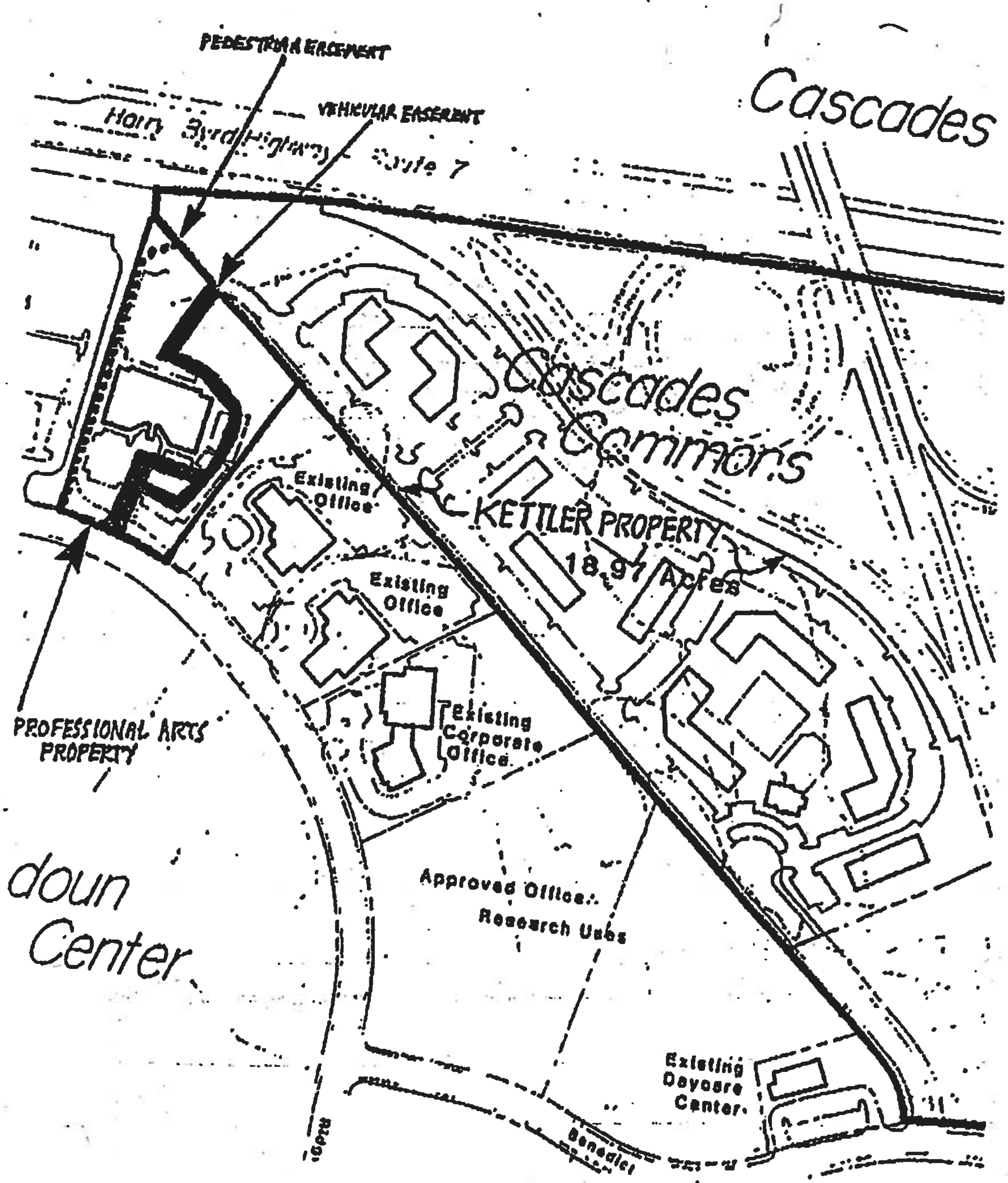
(a) General cleaning;

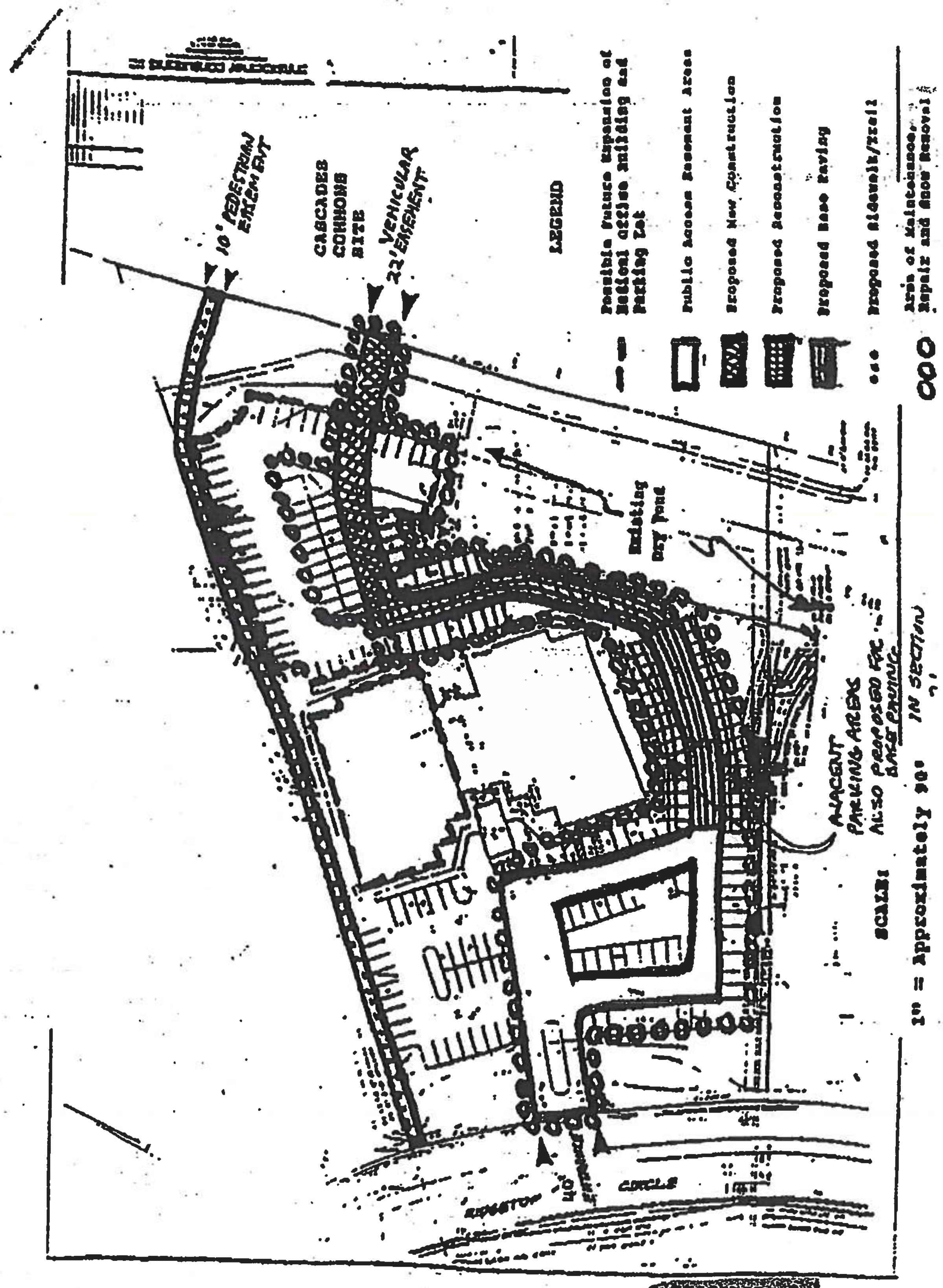
(b) Collection and delivery of refuse from their Units to the Condominium garbage collection site for disposal;

(c) Interior window cleaning.

4. Common Element Repair and Maintenance. All maintenance and repair of Common Elements, unless caused by an identified Unit Owner or Owners, shall be the responsibility of the Association.

[redacted]
Site Location





Attachment 2
Easements and Maintenanc
and Construction Areas

[redacted]
Note Schedule

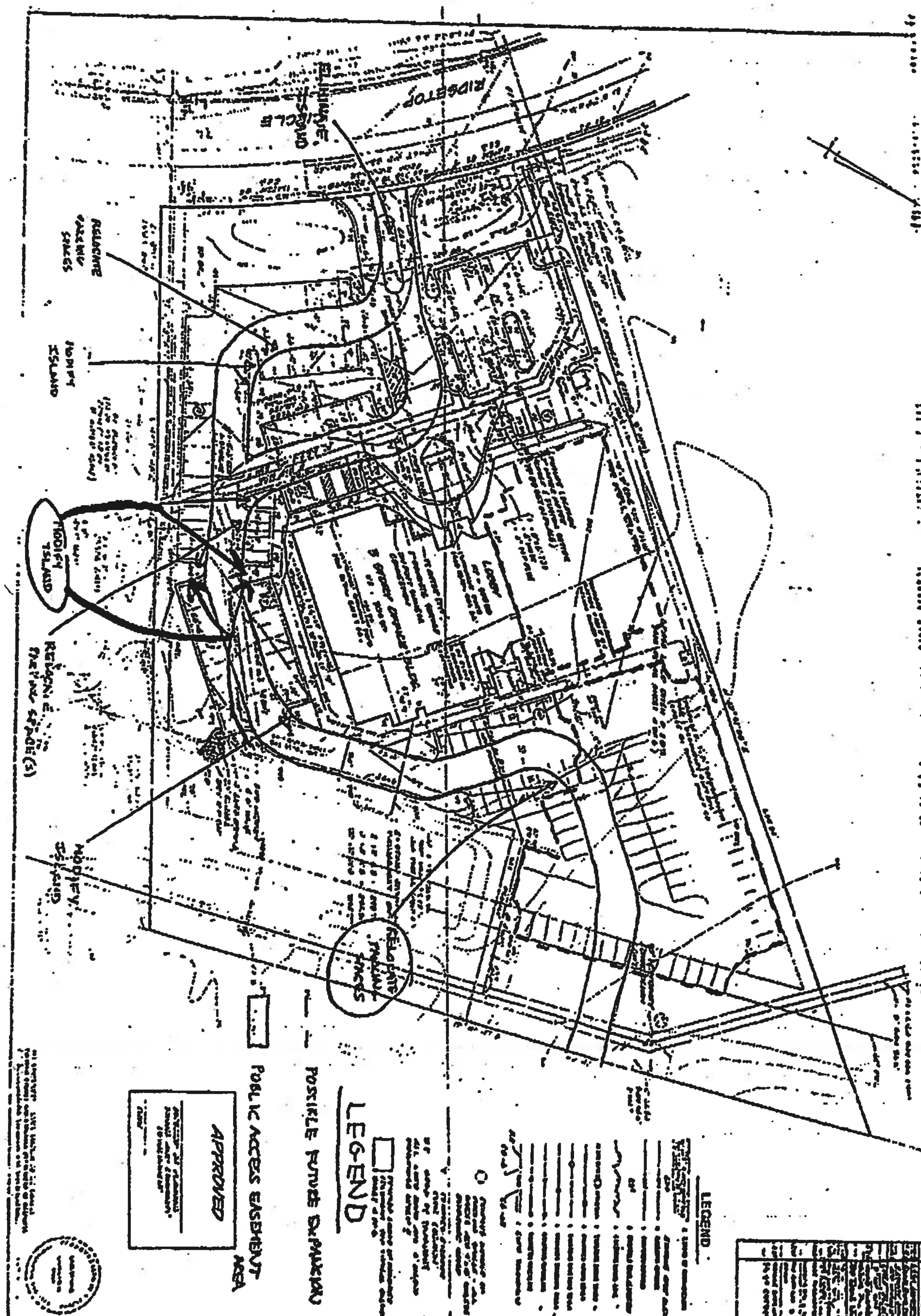
Amortization Table for CASCADES COMMONS EASEMENT

Principal: 50,000.00
Interest 6.00000 %
1st Pymt 30 days from Construction Loan Closing
12 Payments/Yr

Amortized over 046 Periods (4 yrs)
Compounded Semi-Annually
Loan Matures (4 Years)
Factor: .0049386221

Pymts (months)	Total Payment	Interest	Principal	Balance
Construction Closing			** Advance **	50,000.00
1	1,217.77	246.93	970.84	49,029.16
2	1,217.77	242.14	975.63	48,053.53
3	1,217.77	237.32	980.45	47,073.08
4	1,217.77	232.48	985.29	46,087.79
5	1,217.77	227.61	990.16	45,097.63
6	1,217.77	222.72	995.05	44,102.58
7	1,217.77	217.81	999.96	43,102.62
8	1,217.77	212.87	1,004.90	~~42,097.72~~
9	1,217.77	207.90	1,009.87	41,087.85
10	1,217.77	202.92	1,014.85	40,073.00
11	1,217.77	197.91	1,019.86	39,053.14
12	1,217.77	192.87	1,024.90	38,028.24
13	1,217.77	187.81	1,029.96	36,998.28
14	1,217.77	182.72	1,035.05	35,963.23
15	1,217.77	177.61	1,040.16	34,923.07
16	1,217.77	172.47	1,045.30	33,877.77
17	1,217.77	167.31	1,050.46	32,827.31
18	1,217.77	162.12	1,055.65	31,771.66
19	1,217.77	156.91	1,060.86	30,710.80
20	1,217.77	151.67	1,066.10	29,644.70
21	1,217.77	146.40	1,071.37	28,573.33
22	1,217.77	141.11	1,076.66	27,496.67
23	1,217.77	135.80	1,081.97	26,414.70
24	1,217.77	130.45	1,087.32	25,327.38
25	1,217.77	125.08	1,092.69	24,234.69
26	1,217.77	119.69	1,098.08	23,136.61
27	1,217.77	114.26	1,103.51	22,033.10
28	1,217.77	108.81	1,108.96	20,924.14
29	1,217.77	103.34	1,114.43	19,809.71
30	1,217.77	97.85	1,119.92	18,689.79
31	1,217.77	92.30	1,125.47	17,564.32
32	1,217.77	86.74	1,131.03	16,433.29
33	1,217.77	81.16	1,136.61	15,296.68
34	1,217.77	75.54	1,142.23	14,154.45
35	1,217.77	69.90	1,147.87	13,006.58
36	1,217.77	64.23	1,153.54	11,853.04
37	1,217.77	58.54	1,159.23	10,693.81
38	1,217.77	52.81	1,164.96	9,528.85
39	1,217.77	47.06	1,170.71	8,358.14
40	1,217.77	41.28	1,176.49	7,181.65
41	1,217.77	35.47	1,182.30	5,999.35
42	1,217.77	29.63	1,188.14	4,811.21
43	1,217.77	23.76	1,194.01	3,617.20
44	1,217.77	17.86	1,199.91	2,417.29
45	1,217.77	11.94	1,205.83	1,211.46
46	1,217.42	5.98	1,211.46	0.00
Total	56,017.07	6,017.07	50,000.00	

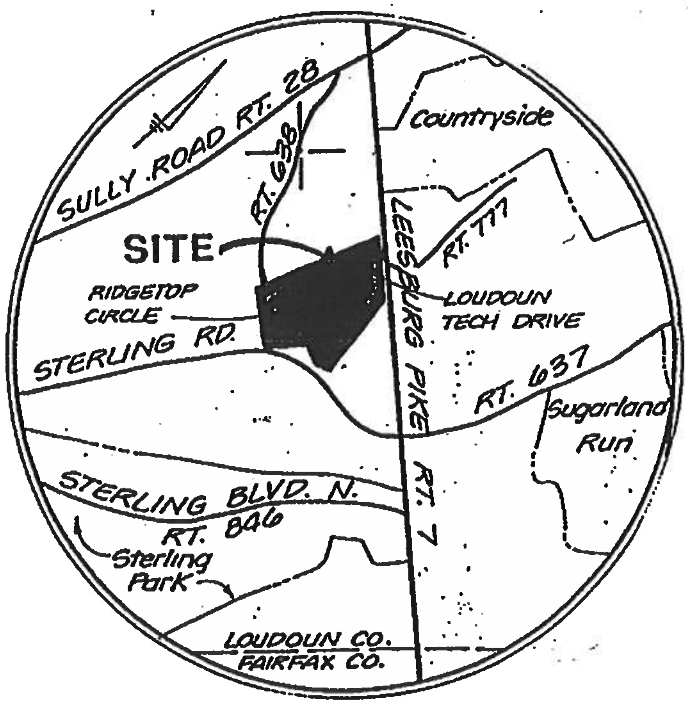
ATTACHMENT 4



LOT 2
LOUDOUN TECH CENTER
GUILFORD ELECTION DISTRICT
LOUDOUN COUNTY, VIRGINIA

SITE PLAN

christopher consultants ltd.

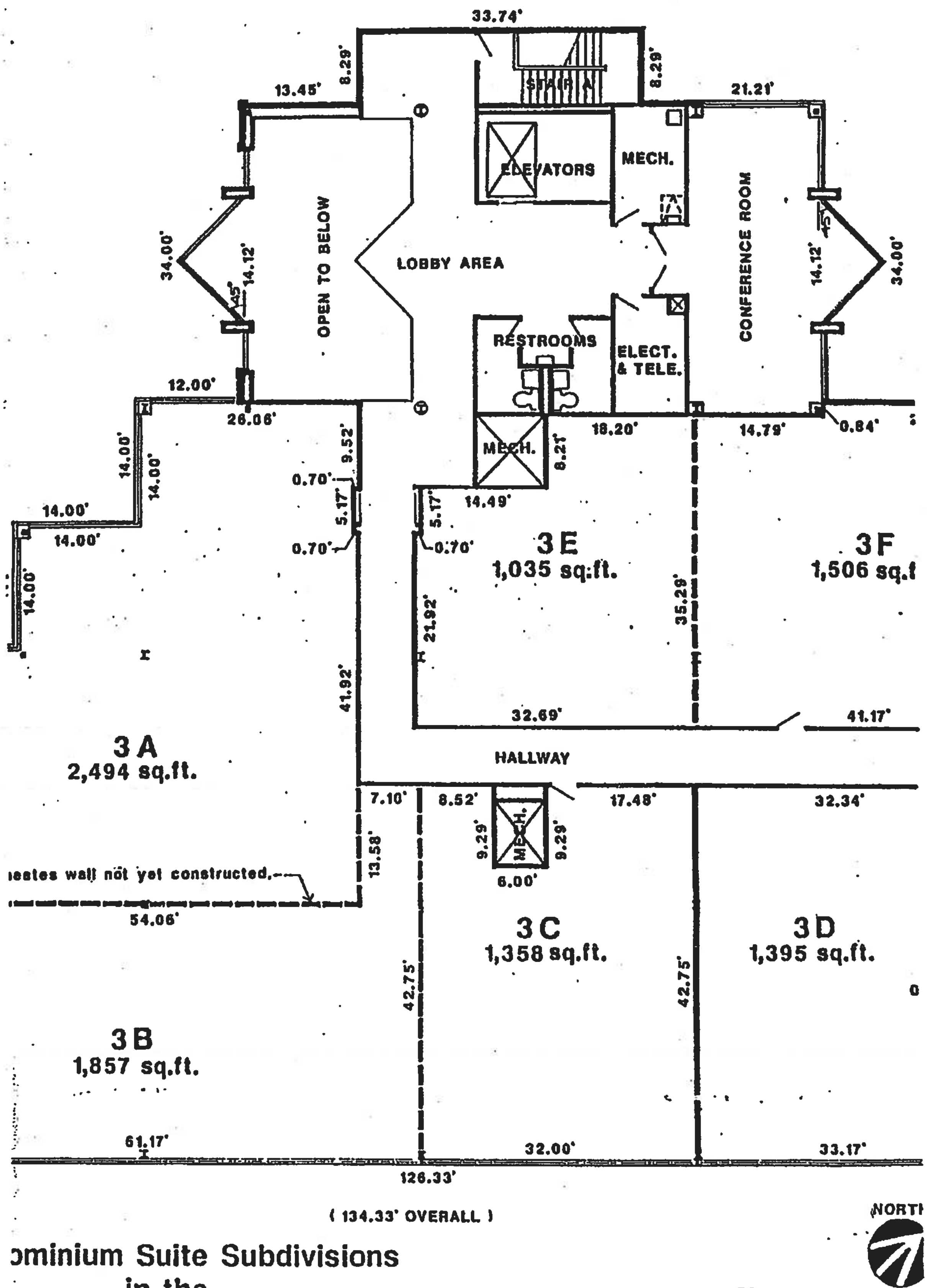


Not to Scale

Exhibit A

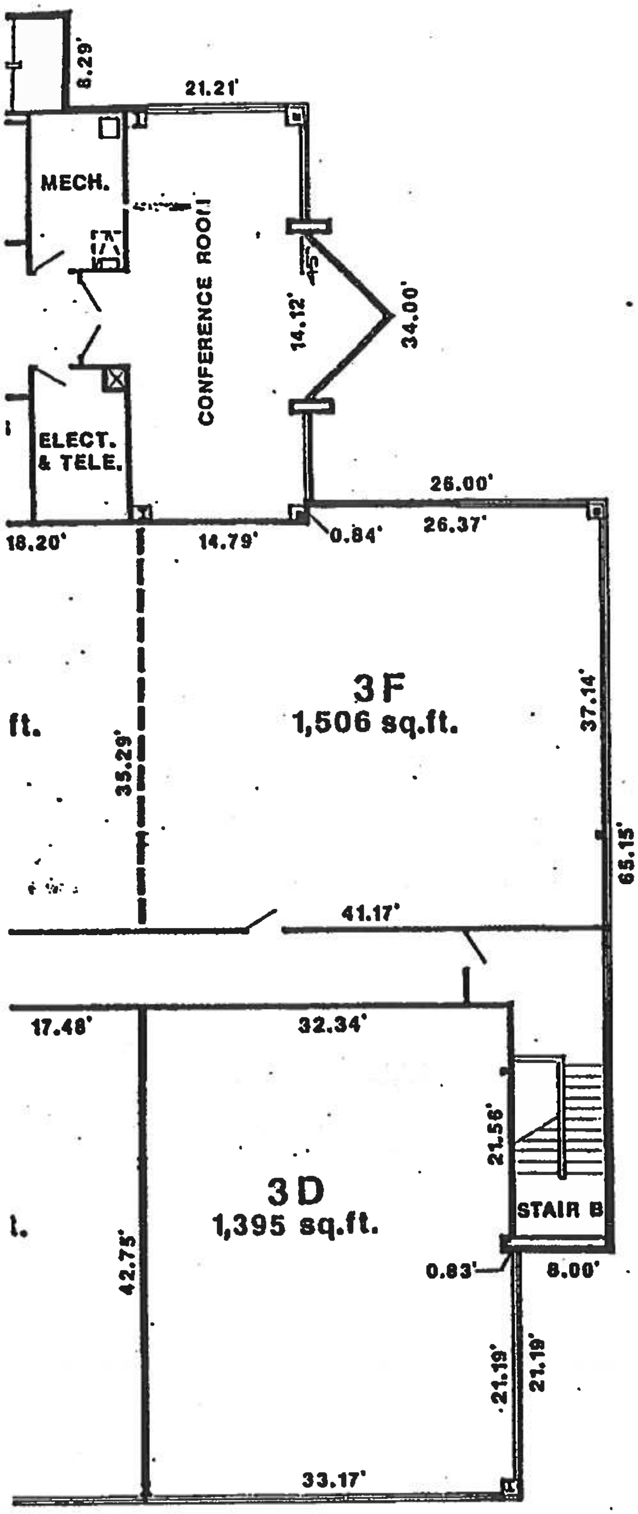
LOUDOUN TECH CENTER LOT 2

BROAD RUN MAGISTERIAL DISTRICT



ominium Suite Subdivisions
in the
even Professional Arts Building
located on
2 – Loudoun Tech Center

NOTES:
1. VERTICAL DIMENSION C
FROM FINISH FLOOR TO
2. HORIZONAL DIMENSIONS
a. EXTERIOR DIMENSION
b. INTERIOR DIMENSION
c. SEE SITE PLAN FOR



SCALE

NORTH

PROJECT NORTH

THIRD FLOOR

Total Condo. Area = 9,645 sq.ft.
Finish Floor Elevation = 24.00 ft.

ARCHITECT'S CERTIFICATE

I, JONATHAN J. KUCERA, A DULY REGISTERED ARCHITECT IN THE STATE OF VIRGINIA DO HEREBY CERTIFY IN ACCORDANCE WITH PARAGRAPH 55-79.58.b. OF THE CODE OF VIRGINIA, THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE BUILDING SHELL AND COMMON AREAS ILLUSTRATED ON THIS DRAWING HAVE BEEN SUBSTANTIALLY COMPLETED AS FINISHED SPACE, AND THAT THE CONDOMINIUM SUITE SPACES SHOWN HEREON HAVE BEEN SUBSTANTIALLY COMPLETED AS CONDOMINIUM SHELL SPACES. I FURTHER CERTIFY THAT THE DIMENSIONS SHOWN FOR THE BUILDING AND CONDOMINIUM SUITES REFLECT THE DIMENSIONS INDICATED ON DESIGNER/BUILDER'S CONSTRUCTION DOCUMENTS LAST DATED AUGUST 20, 1987, AND THAT SAID IMPROVEMENTS HAVE BEEN, TO THE BEST OF MY KNOWLEDGE AND BELIEF, COMPLETED WITHIN NORMAL INDUSTRY TOLERANCES ACCORDING TO THOSE CONSTRUCTION DOCUMENTS.

JONATHAN J. KUCERA

4/7/88
DATE

COMMONWEALTH OF VIRGINIA
JONATHAN J. KUCERA
LICENSE NO. 4102
ARCHITECT

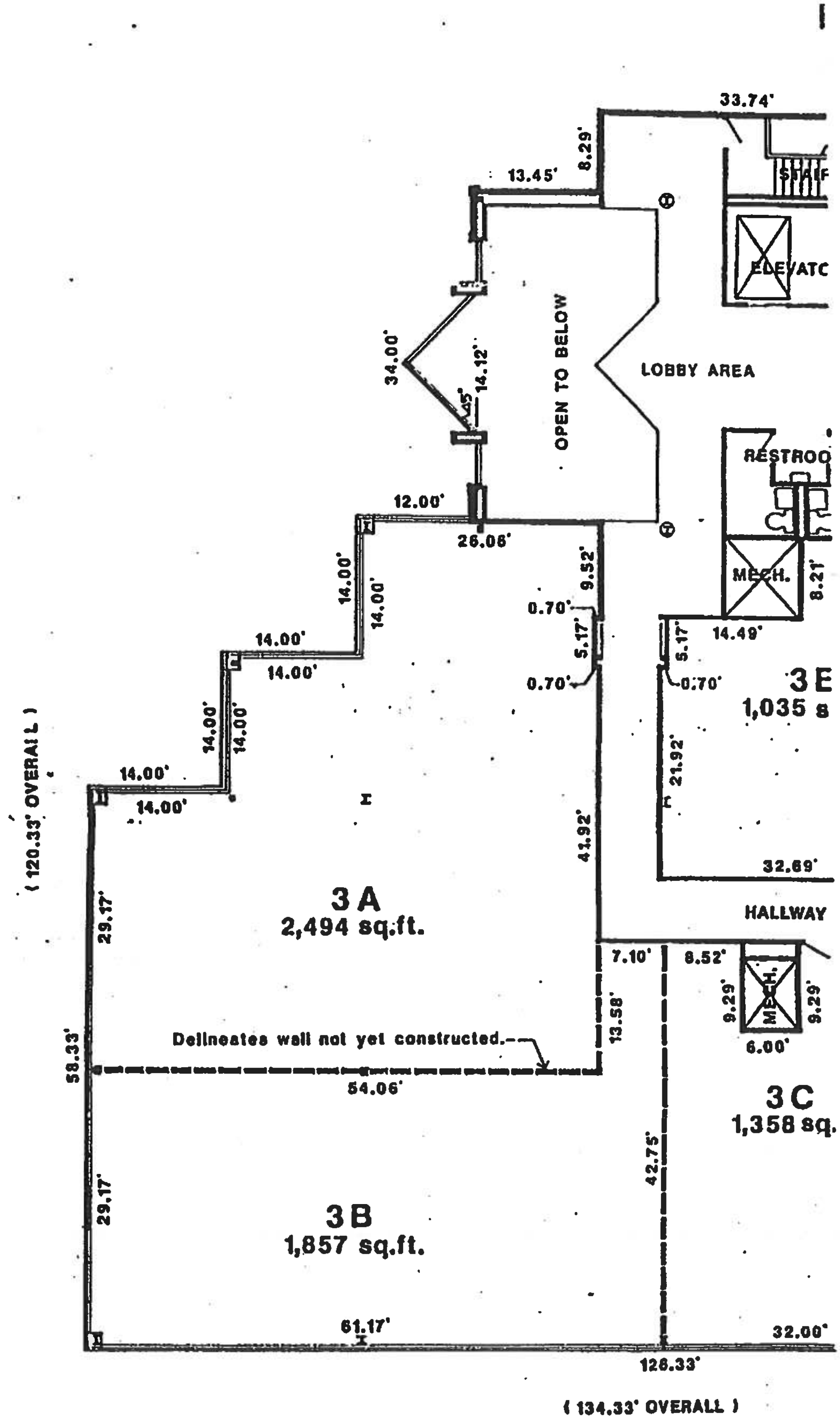
MEDICAL OFFICE BUILDING
LOUDOUN TECH CENTER
LOT 2 LOUDOUN CO. VA.

DATE 7 APRIL 1988

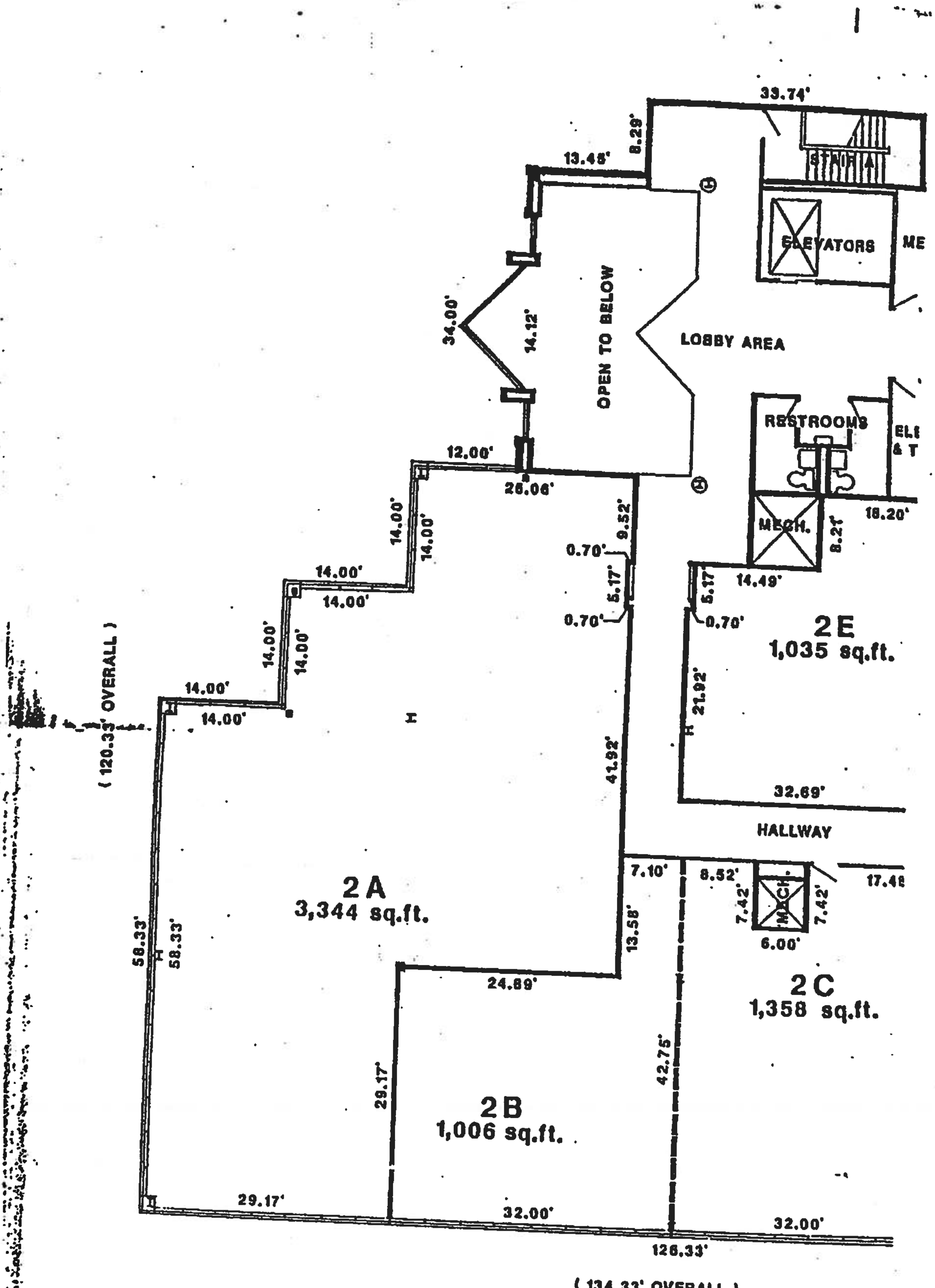
Marshall Erdman & Associates, Inc.
DESIGN / ENGINEERING / PREFABRICATION / CONSTRUCTION
Madison, Wi. / Hartford, Conn. / Richmond, Va. / Atlanta, Ga. / Dallas, Tex.

NOTES:

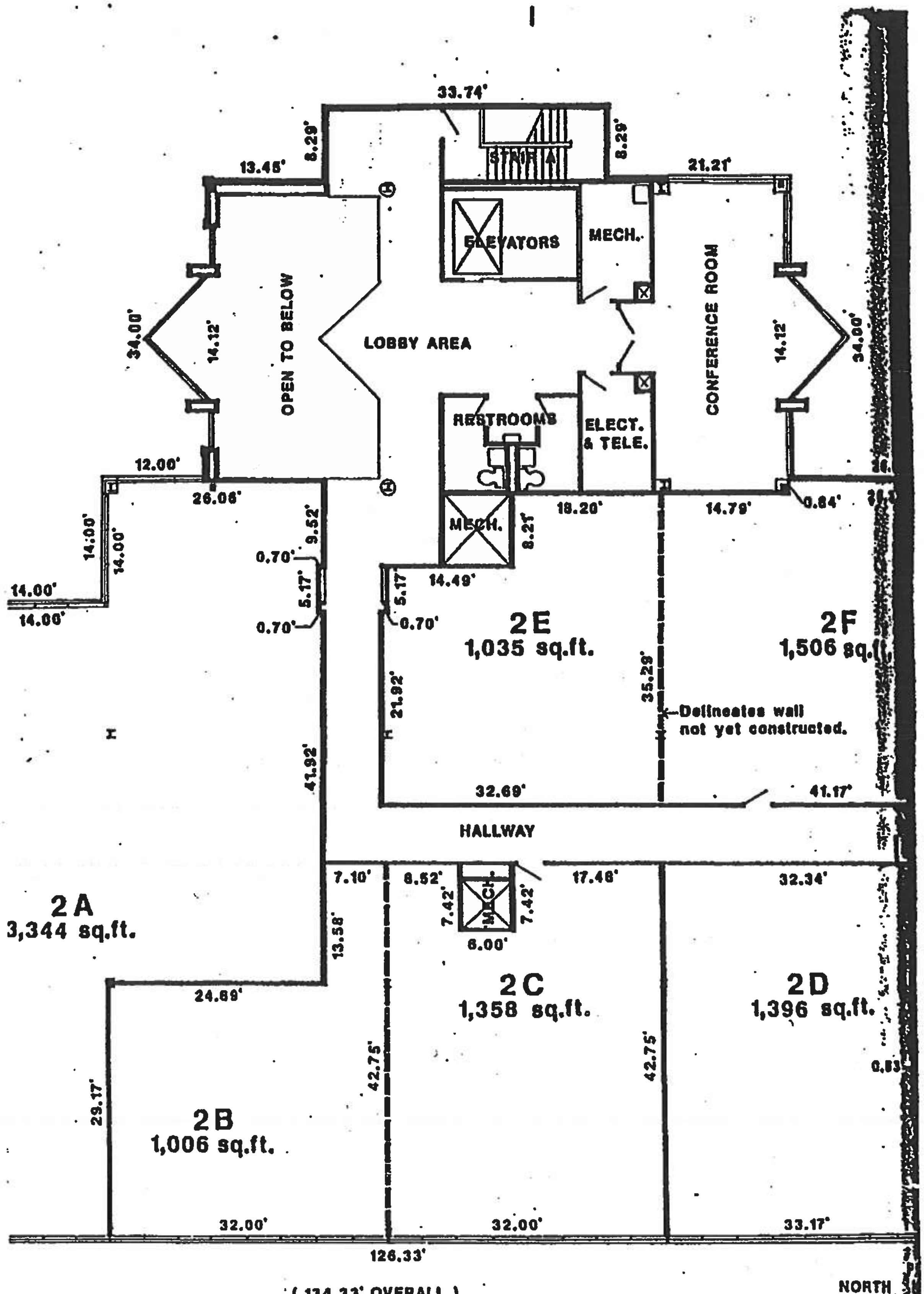
1. VERTICAL DIMENSION OF SPACE IS TO BE FROM FINISH FLOOR TO 1.00' ABOVE THE FINISH CEILING.
2. HORIZONAL DIMENSIONS ARE TAKEN AS FOLLOWS:
   a. EXTERIOR DIMENSIONS ARE FROM OUTSIDE FACE OF EXTERIOR WALL
   b. INTERIOR DIMENSIONS ARE FROM CENTER LINE OF WALL.
   c. SEE SITE PLAN FOR REFERENCES TO HORIZONAL DIMENSIONS



Condominium Suite Subdivisions
in the
Route Seven Professional Arts Building
located on
Lot 2 – Loudoun Tech Center
Guilford Election District, Loudoun Co., Virginia



Condominium Suite Subdivisions
in the
Route Seven Professional Arts Building
located on
Lot 2 – Loudoun Tech Center
Guilford

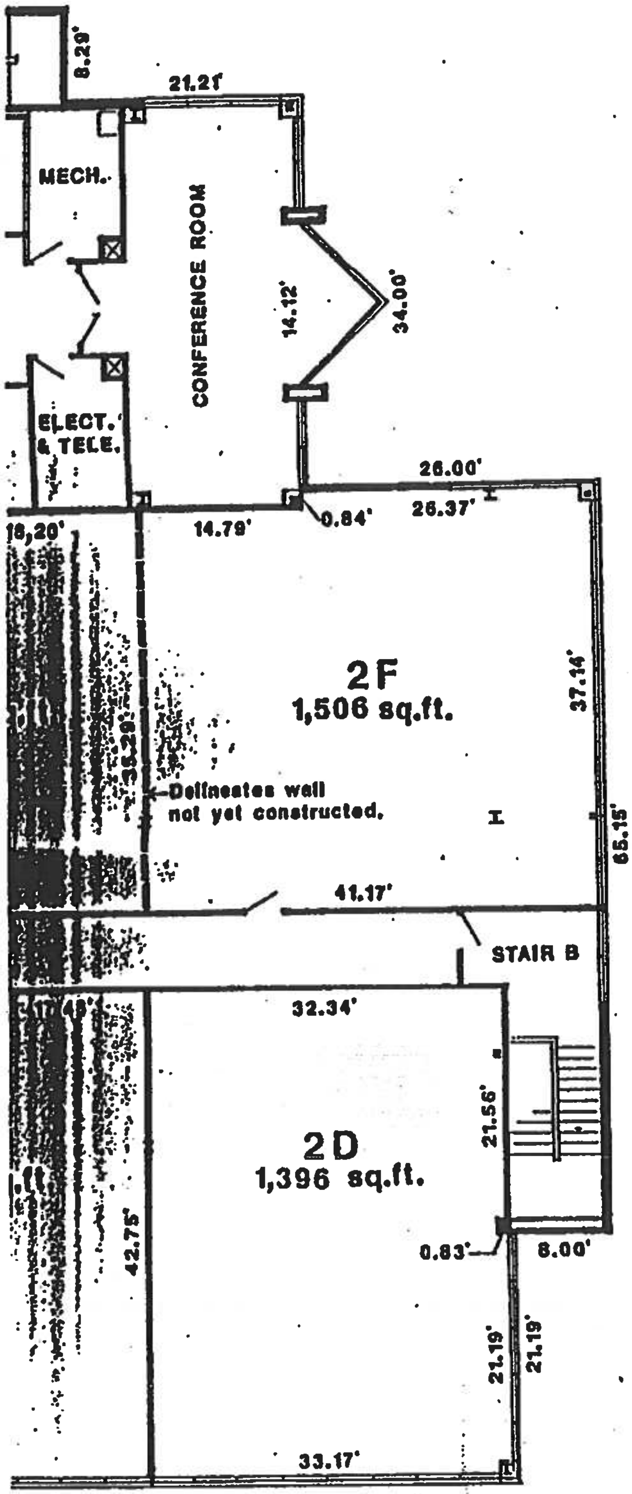


NORTH

ominium Suite Subdivisions
in the
even Professional Arts Building
located on
2 – Loudoun Tech Center

NOTES:

1. VERTICAL DIMENSION OF S
   FROM FINISH FLOOR TO 1.00
2. HORIZONAL DIMENSIONS AR
   a. EXTERIOR DIMENSIONS A
   b. INTERIOR DIMENSIONS A
   c. SEE SITE PLAN FOR REF



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JONATHAN J. KUCERA

4/7/88
DATE

COMMONWEALTH OF VIRGINIA
JONATHAN J. KUCERA
LICENSE NO. 4102
ARCHITECT

0 10
SCALE

NORTH

PROJECT NORTH

SECOND FLOOR

Total Condo. Area = 9,645 sq.ft.
Finish Floor Elevation = 12.00 ft.

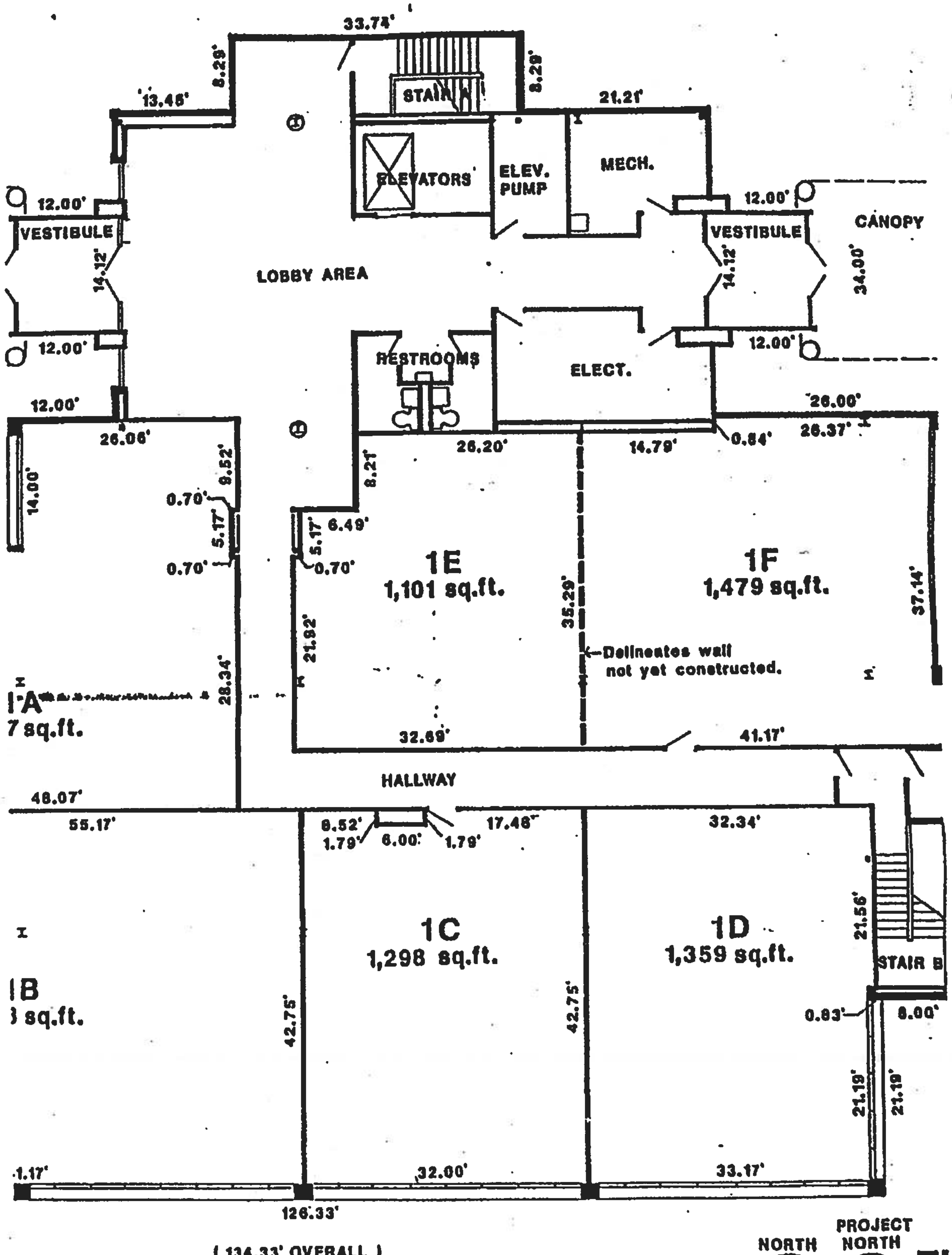
NOTES:

1. VERTICAL DIMENSION OF SPACE IS TO BE FROM FINISH FLOOR TO 1.00' ABOVE THE FINISH CEILING.
2. HORIZONAL DIMENSIONS ARE TAKEN AS FOLLOWS:
   a. EXTERIOR DIMENSIONS ARE FROM OUTSIDE FACE OF EXTERIOR WALL
   b. INTERIOR DIMENSIONS ARE FROM CENTER LINE OF WALL.

DATE 7 APRIL 1988

MEDICAL OFFICE BUILDING
LOUDOUN TECH CENTER
LOT 2 LOUDOUN CO. VA.

Marshall Erdman & Associates, Inc.
DESIGN / ENGINEERING / PREFABRICATION / CONSTRUCTION
Madison, Wi. / Hartford, Conn. / Richmond, Va. / Atlanta, Ga. / Dallas, Tex.



NORTH

PROJECT NORTH

Suite Subdivisions
the
ssional Arts Building
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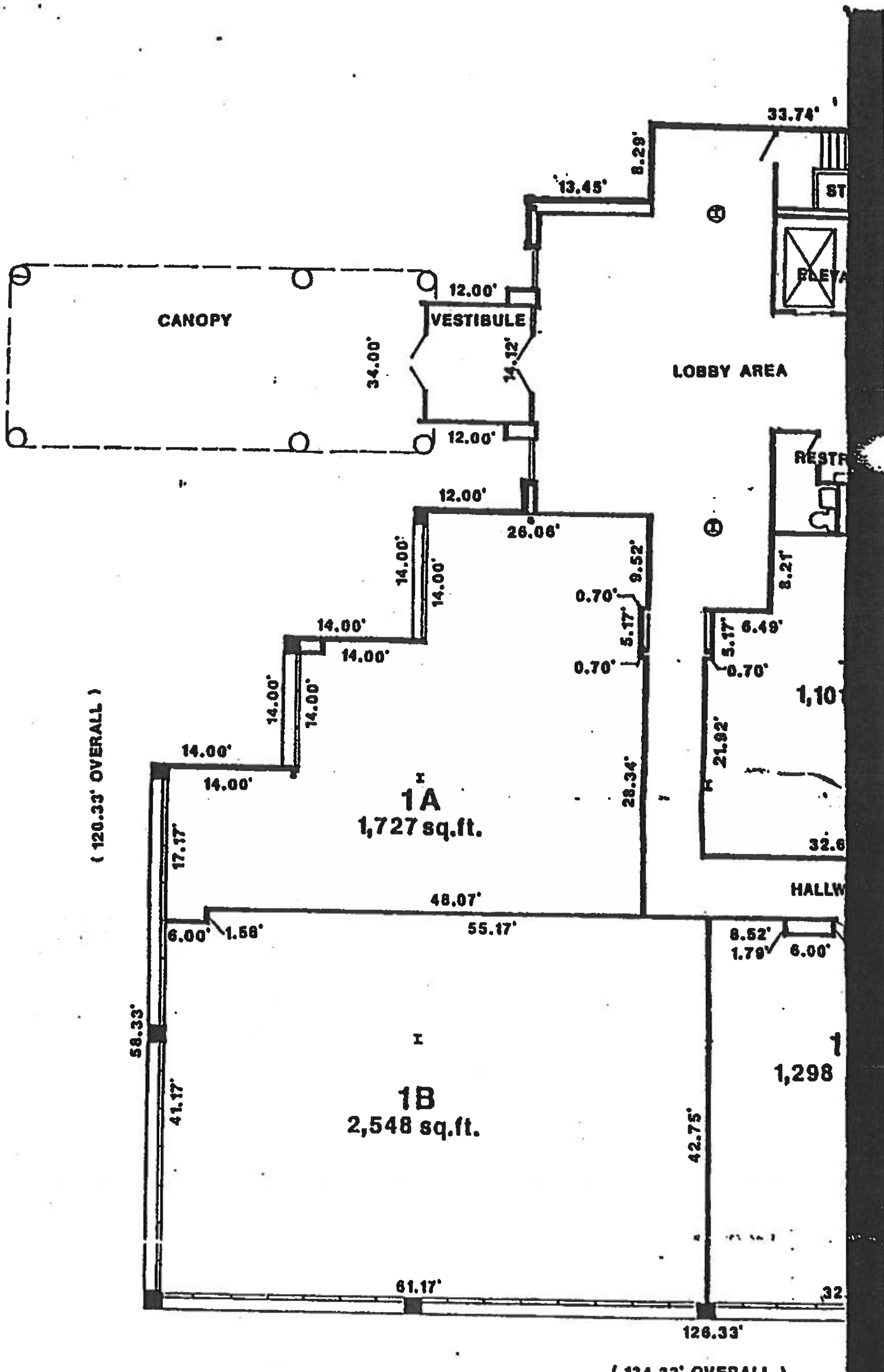
oup Tech Center

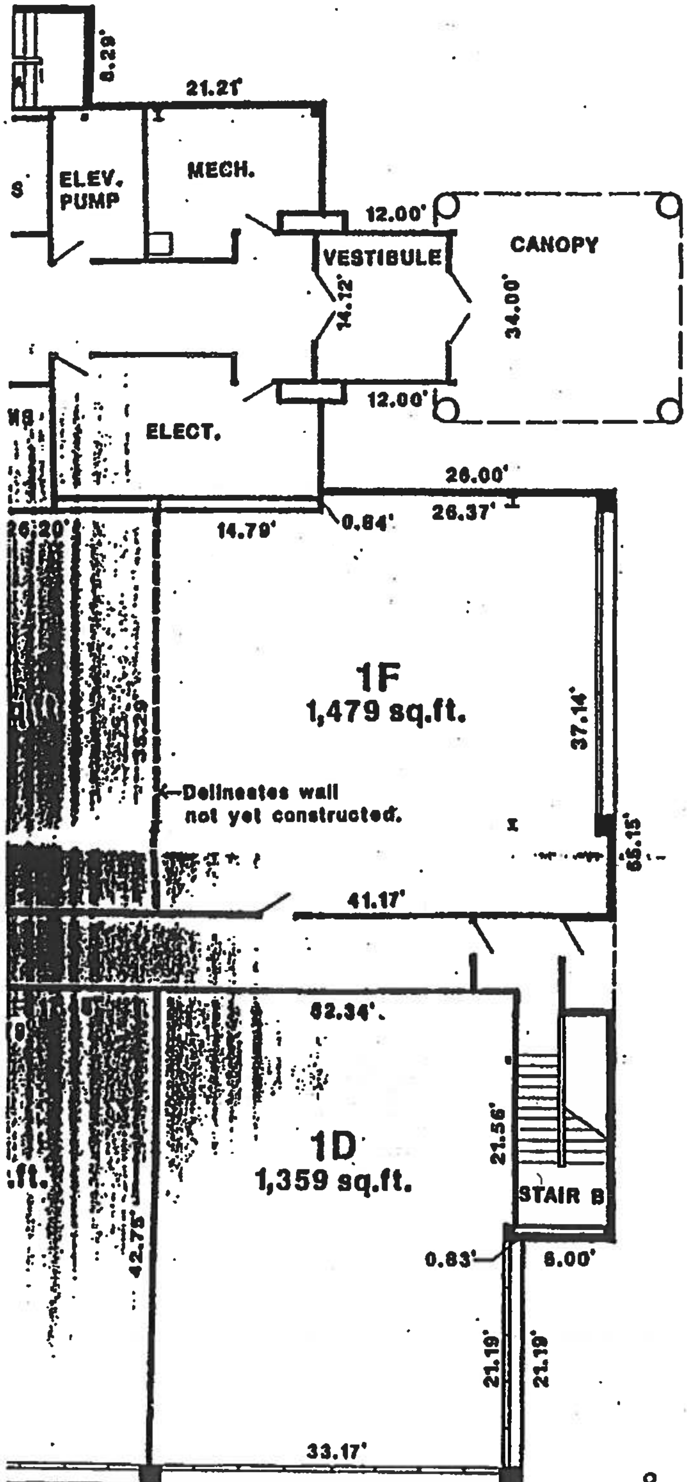
Fl
Tot
Fin

NOTES:

1. VERTICAL DIMENSION OF SPACE IS TO
   FROM FINISH FLOOR TO 1.00' ABOVE THE
2. HORIZONAL DIMENSIONS ARE TAKEN AS
   a. EXTERIOR DIMENSIONS ARE FROM OU
   b. INTERIOR DIMENSIONS ARE FROM CE



Condominium Suite Subdivisions
in the
Route Seven Professional Arts Building
located on
Lot 2 – Loudoun Tech Center



ARCHITECT'S CERTIFICATE

I, JONATHAN J. KUCERA, A DULY REGISTERED ARCHITECT IN THE STATE OF VIRGINIA DO HEREBY CERTIFY, IN ACCORDANCE WITH PARAGRAPH 55-79.58.b. OF THE CODE OF VIRGINIA, THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE BUILDING SHELL AND COMMON AREAS ILLUSTRATED ON THIS DRAWING HAVE BEEN SUBSTANTIALLY COMPLETED AS FINISHED SPACE, AND THAT THE CONDOMINIUM SUITE SPACES SHOWN HEREON HAVE BEEN SUBSTANTIALLY COMPLETED AS CONDOMINIUM SHELL SPACES. I FURTHER CERTIFY THAT THE DIMENSIONS SHOWN FOR THE BUILDING AND CONDOMINIUM SUITES REFLECT THE DIMENSIONS INDICATED ON DESIGNER/BUILDER'S CONSTRUCTION DOCUMENTS LAST DATED AUGUST 20, 1987, AND THAT SAID IMPROVEMENTS HAVE BEEN, TO THE BEST OF MY KNOWLEDGE AND BELIEF, COMPLETED WITHIN NORMAL INDUSTRY TOLERANCES ACCORDING TO THOSE CONSTRUCTION DOCUMENTS.

J Kucera
JONATHAN J. KUCERA

4/7/88
DATE

COMMONWEALTH OF VIRGINIA
JONATHAN J. KUCERA
LICENSE NO. 4102
ARCHITECT

FIRST FLOOR

Total Condo. Area = 9,512 sq.ft.
Finish Floor Elevation = 0.00 ft. (assumed)

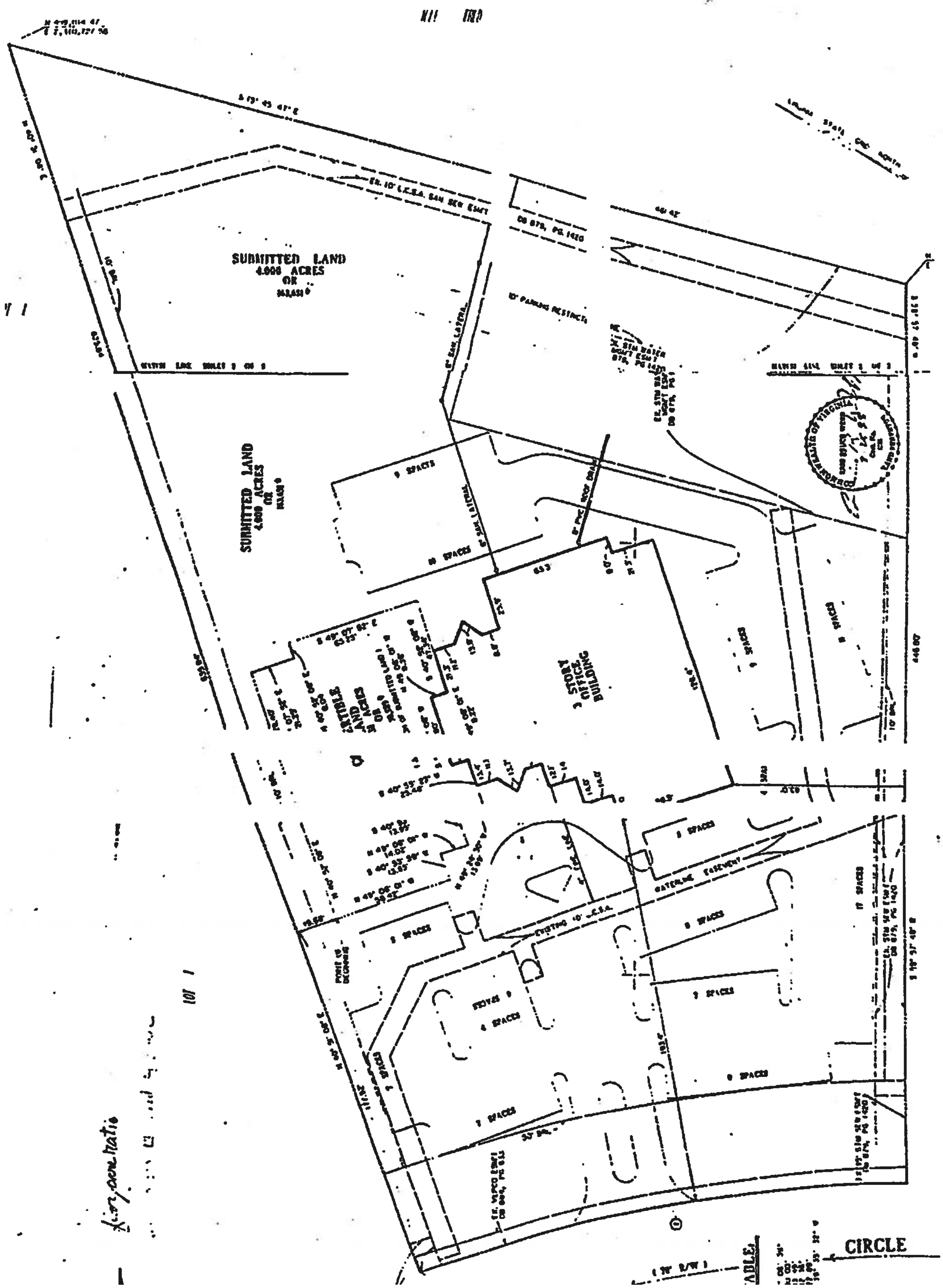
NOTES:

1. VERTICAL DIMENSION OF SPACE IS TO BE FROM FINISH FLOOR TO 1.00' ABOVE THE FINISH CEILING.
2. HORIZONAL DIMENSIONS ARE TAKEN AS FOLLOWS:
   a. EXTERIOR DIMENSIONS ARE FROM OUTSIDE FACE OF EXTERIOR WALL
   b. INTERIOR DIMENSIONS ARE FROM CENTER LINE OF WALL.
   c. SEE SITE PLAN FOR REFERENCES TO HORIZONAL DIMENSIONS

DATE

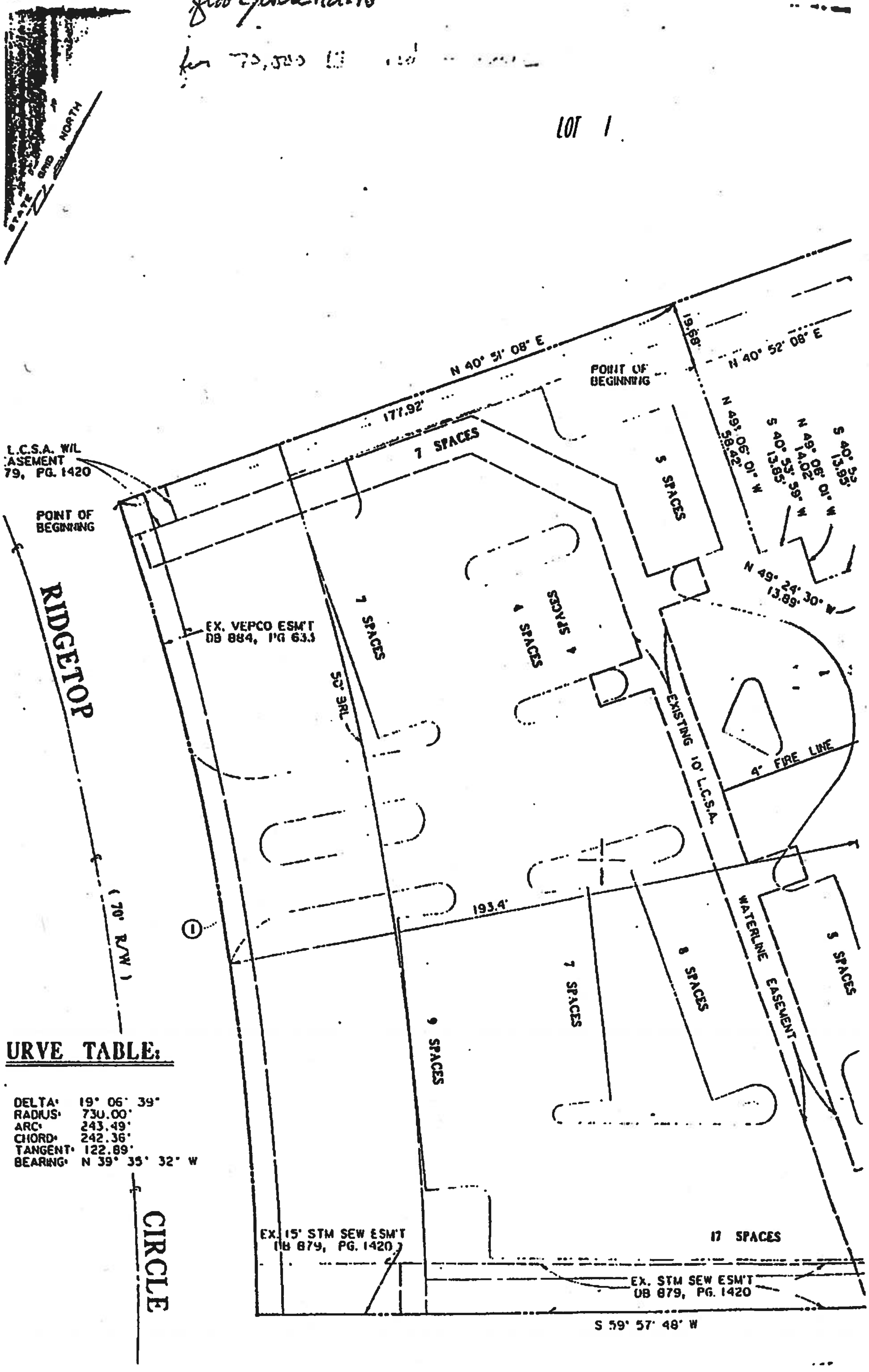
MEDICAL OFFICE BUILDING
LOUDOUN TECH CENTER
LOT 2 LOUDOUN CO. VA.

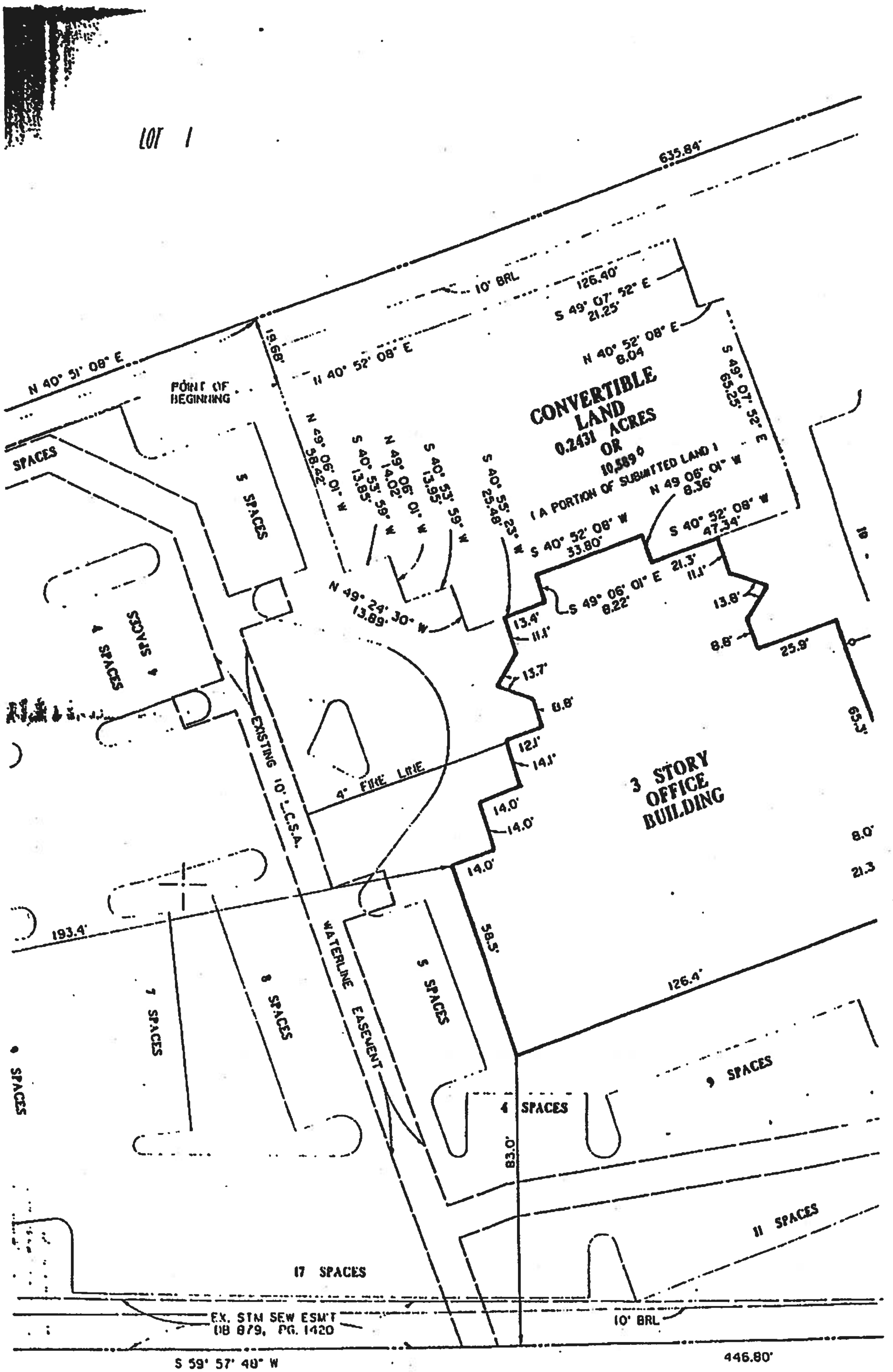
Marshall Erdman & Associates, Inc.
DESIGN / ENGINEERING / PREFABRICATION / CONSTRUCTION
Madison, Wi. / Hartford, Conn. / Richmond, Va. / Atlanta, Ga. / Dallas, Tex.

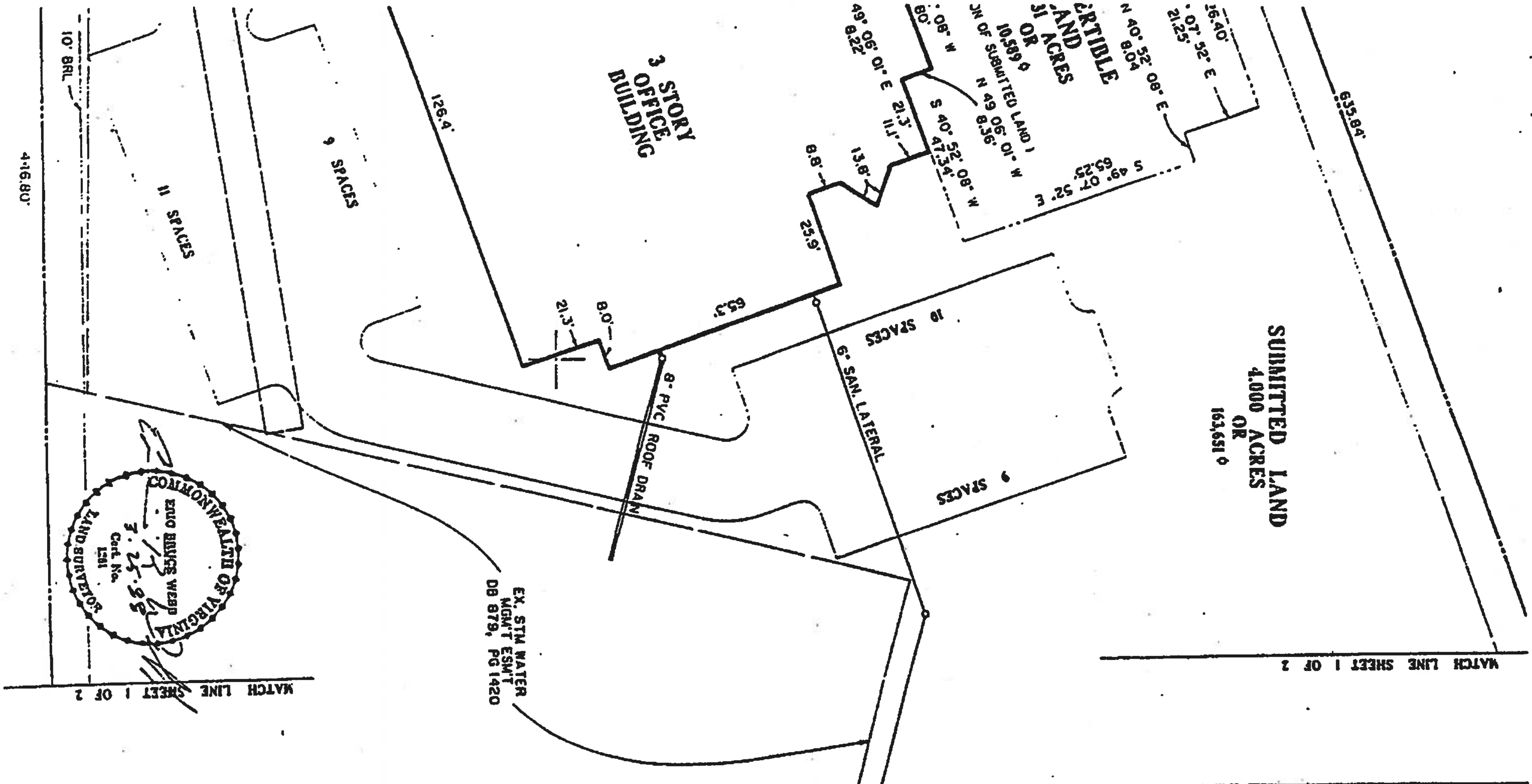

SUBMITTED LAND
4.006 ACRES
OR
SUBMITTED LAND
4.006 ACRES
OR
2 STORY
OFFICE
BUILDING
WATERLINE EASEMENT
CIRCLE

floor area ratio

for 75,5[illegible]



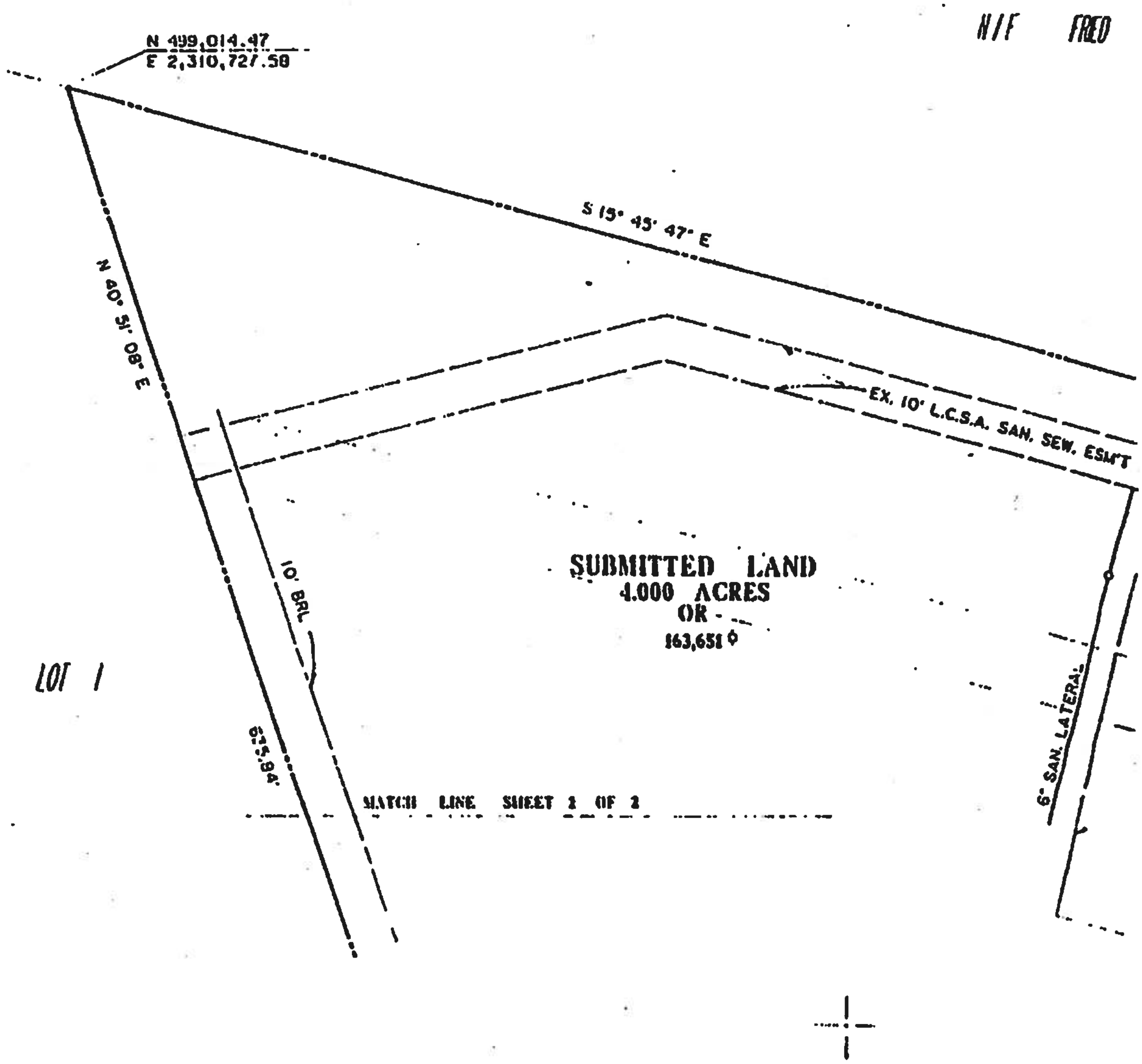

LOT 1
635.84'
10' BRL
126.40'
S 49° 07' 52" E
21.25'
N 40° 51' 08" E
POINT OF BEGINNING
19.68'
N 40° 52' 08" E
N 40° 52' 08" E
8.04
S 49° 07' 52" E
65.25'
CONVERTIBLE LAND
0.2431 ACRES
OR
10,589 ◊
(A PORTION OF SUBMITTED LAND)
N 49 06' 01" W
8.36'
S 40° 52' 08" W
47.34'
S 40° 52' 08" W
33.80'
N 49° 06' 01" W
38.42'
S 40° 53' 59" W
13.85'
N 49° 06' 01" W
14.02'
S 40° 53' 59" W
13.95'
S 40° 55' 23" W
25.48'
N 49° 24' 30" W
13.89'
S 49° 06' 01" E
8.22'
21.3'
11.1'
13.8'
8.8'
25.9'
13.4'
11.1'
13.7'
8.8'
12.1'
14.1'
14.0'
14.0'
14.0'
65.3'
8.0'
21.3
58.5'
126.4'
193.4'
83.0'
3 STORY OFFICE BUILDING
4" FIRE LINE
EXISTING 10' L.C.S.A.
WATERLINE EASEMENT
SPACES
5 SPACES
4 SPACES
4 SPACES
7 SPACES
8 SPACES
5 SPACES
9 SPACES
4 SPACES
9 SPACES
11 SPACES
17 SPACES
EX. STM SEW ESM'T
DB 879, PG. 1420
10' BRL
S 59° 57' 48" W
446.80'



CONDOMINIUM PLAT OF
EXHIBIT "A"
LOT 2
LOUDOUN TECH CENTER
GUILFORD ELECTION DISTRICT LOUDOUN COUNTY, VIRGINIA

christopher consultants ltd.
engineering • surveying • land planning
10 pidgeon hill drive
sterling va 22170
(703) 444-3707
metro 450-4966

SCALE: 1" = 25'
DATE:
MAR. 18, 1988
DRAWN: K.L.
CHECKED: SLT
SHEET NO.



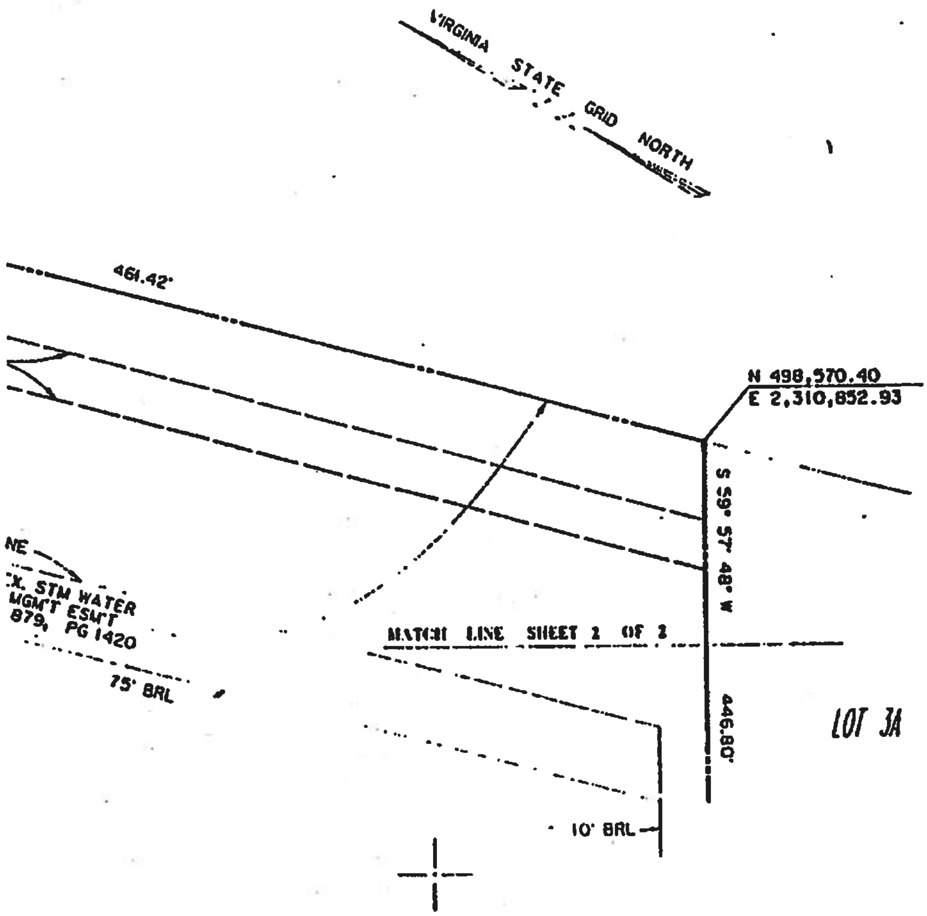
SURVEYOR'S CERTIFICATE

I, ERIC BRUCE WEBB, A DULY CERTIFIED LAND SURVEYOR IN THE COMMONWEALTH OF VIRGINIA, DO HEREBY CERTIFY IN ACCORDANCE WITH PARAGRAPH 55 - 79.50.a - OF THE CODE OF VIRGINIA THAT THIS PLAT OF LOUDOUN TECH CENTER IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF. THAT THE IMPROVEMENTS SHOWN HEREON ARE SUBSTANTIALLY COMPLETE AND THAT IT IS IN CONFORMANCE WITH THE ABOVE CITED PARAGRAPH OF THE CODE OF VIRGINIA.

3-25-88

ERIC BRUCE WEBB DATE

COMMONWEALTH OF VIRGINIA
ERIC BRUCE WEBB
Cert. No.
1201



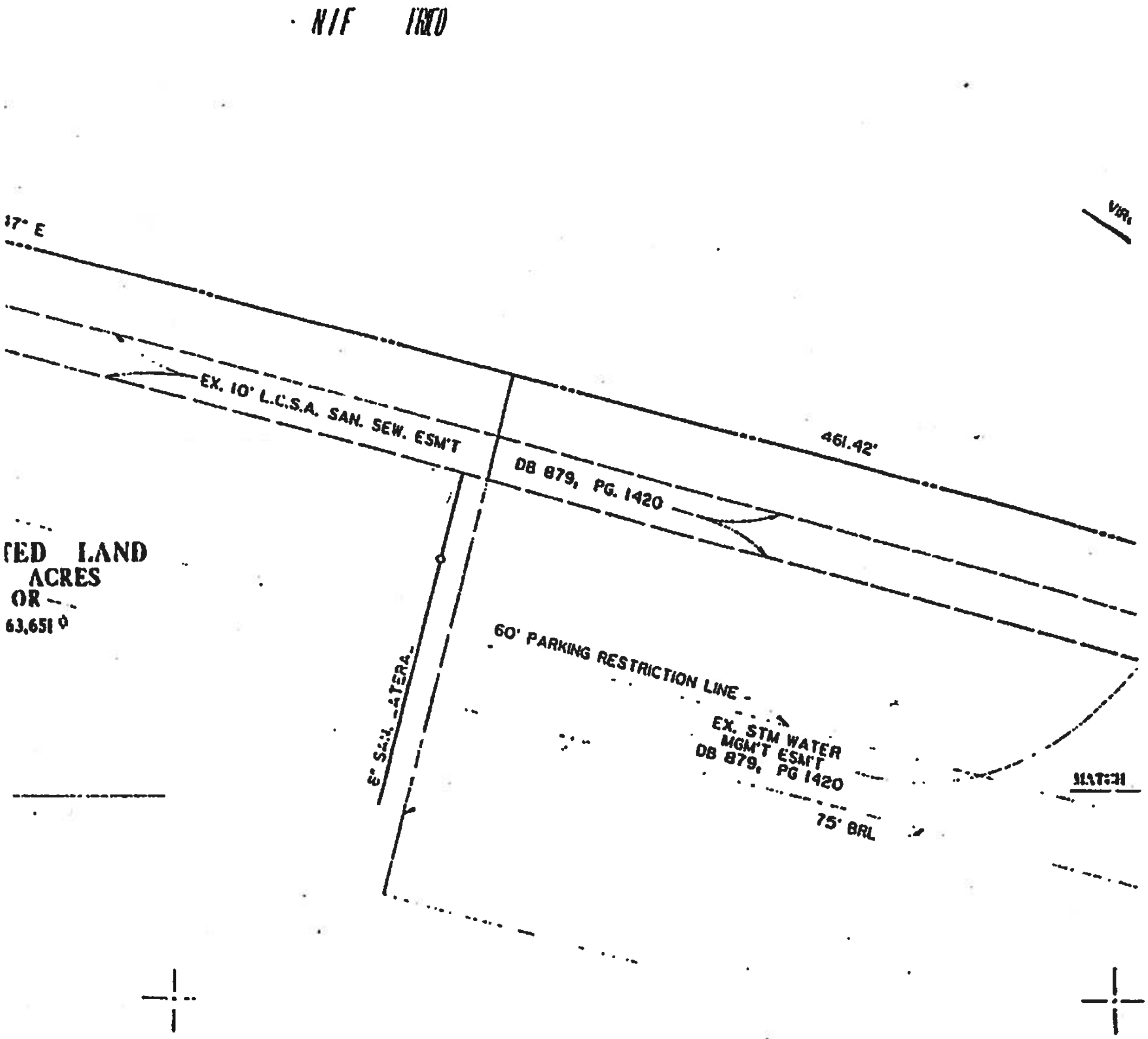
NOTES:

1. THE PROPERTY DELINEATED ON THIS PLAT IS LOCATED ON TAX MAP 81, ((6)), LOT 2. ZONED PD - IP.
2. TITLE REPORT FURNISHED BY CHICAGO TITLE INSURANCE COMPANY, COMMITMENT # 88-83 0011, EFFECTIVE DATE MARCH 3, 1988.
3. UNLOCATABLE EASEMENTS:
   1. C&P EASEMENT IN DEED BOOK 12-F, PAGE 202.
   2. VEPCO EASEMENT IN DEED BOOK 12-U, PAGE 37.
4. BUILDING RESTRICTION LINES AND PARKING RESTRICTION LINES SHOWN AS RECORDED IN DEED BOOK 882, PAGE 838.

christopher consultants ltd.

CONDOMINIUM PLAT OF
EXHIBIT "A"
LOT 2
LOUDOUN TECH CENTER
GUILFORD ELECTION DISTRICT LOUDOUN COUNTY, VIRGINIA

SCALE: 1" = 25'
DATE: MAR. 18, 1988
DRAWN: K.L.
CHECKED: S.L.
SHEET NO.



E

HE COMMONWEALTH
GRAPH 55 - 79.58.0
H CENTER IS
HAT THE IMPROVE-
THAT IT IS IN
ODE OF VIRGINIA.

25-88

E

NOTES :

1. THE PROPERTY DELINE
ON TAX MAP 81,((6)),
2. TITLE REPORT FURNISHE
COMMITMENT # 88-83 (
3. UNLOCATABLE EASEME
   1. C&P EASEMENT IN
   2. VEPCO EASEMENT
4. BUILDING RESTRICTION
SHOWN AS RECORDED

christopher consultants ltd.
engineering • surveying • land planning
10 pidgeon hill drive
sterling, va 22170
(703) 444-3707
metro 450-4966

DECRIPTION
OF A PORTION OF
LOT 2
SECTION 1
LOUDOUN TECH CENTER
(CONVERTIBLE LAND)
GUILFORD ELECTION DISTRICT
LOUDOUN COUNTY, VIRGINIA
MARCH 18, 1988

Beginning at the northwesterly corner of the tract herein described, said point bearing N 40 51' 08" E 177.92 feet and S 49 08' 52" E 19.68 feet from a corner to Lot 1 Section 1 Loudoun Tech Center and a point on the easterly 70 foot right-or-way of Ridgetop Circle.

Thence, running through Lot 2 Section 1 Loudoun Tech Center the following metes and bounds:

N 40 52' 08" E 126.40 feet to a point;

Thence, S 49 07' 52" E 21.25 feet to a point;

Thence, N 40 52' 08" E 8.04 feet to a point;

Thence, S 49 07' 52" E 65.25 feet to a point;

Thence, S 40 52' 08" W 47.34 feet to a point;

Thence, N 49 06' 01" W 8.36 feet to a point;

Thence, S 40 52' 08" W 33.80 feet to a point;

Thence, S 49 06' 01" E 8.22 feet to a point;

Thence, S 40 52' 23" W 25.48 feet to a point;

Thence, N 49 24' 30" W 13.89 feet to a point;

Thence, S 40 53' 59" W 13.95 feet to a point;

DECRIPTION
OF A PORTION OF
LOT 2
SECTION 1
LOUDOUN TECH CENTER
(CONVERTIBLE LAND)/
GUILFORD ELECTION DISTRICT
LOUDOUN COUNTY, VIRGINIA
MARCH 18, 1988
PAGE TWO

Thence, N 49 06' 01" W 14.02 feet to a point;

Thence, S 40 53' 59" W 13.85 feet to a point;

Thence, N 49 06' 01" W 58.42 feet to the point of the beginning.

— EXHIBIT E —