

DECLARATION
L & M WAREHOUSES CONDOMINIUM

ARTICLE I

SUBMISSION: DEFINED TERMS

Section 1. Submission of Property. Leo T. Thibodeau and Mary Ellen Thibodeau ("Declarant"), are the owners of the land known as Lot 14 Connor Center and described in greater particularity in Exhibit A attached hereto ("Land"), and made a part hereof, located in the City of Manassas Park, Virginia. The Declarant hereby submits the Land, together with all easements, rights and appurtenances thereunto belonging ("Property") to the provisions of Chapter 4.2 of Title 55 of the Code of Virginia, as amended, known as the Virginia Condominium Act ("Condominium Act") and hereby creates with respect to the Property a Condominium to be known as "L & M Warehouses Condominium" ("Condominium").

Section 2. Defined Terms. Unless a term is otherwise defined in the Condominium Instruments for L & M Warehouses it shall have the meaning specified in the Condominium Act. The "Percentage Interest" of each owner in the Common Elements shall be defined to mean the ratio between the floor area of all Units owned by said owner and the aggregate amount of floor area of all Units in the Condominium.

ARTICLE II

BUILDINGS ON THE LAND: UNIT BOUNDARIES

Section 1. Number and Location of Buildings. The location

THIS MAP RECORDED IN
MAP DRAWER 28 PAGE 98499

return to:
Cowhee, Rinaldi & Arnold, Ltd.
10521 Judicial Drive, Suite 204
Fairfax, Virginia 22030

and dimensions of the buildings on the Land are depicted on the plat attached hereto as Exhibit B.

Section 2. Units. The boundaries of Units located within the buildings are shown on the plans attached as Exhibit C hereto. Attached as Exhibit D hereto is a list of all Units and the percentage of undivided interest in the common elements ("Percentage Interest") hereby allocated to each Unit. The locations of the Common Elements to which each Unit has direct access are shown on the Plats and Plans. The Limited Common Elements appurtenant to each Unit are described in Section 2 of Article V and are shown on the plat attached as Exhibit B.

Section 3. Unit Boundaries. The boundaries of each Unit are as follows:

(a) Upper and Lower (Horizontal) Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended laterally to intersect with the vertical boundaries thereof:

(1) Upper Boundary: The planes which coincide with the lower side of roof surface visible from interior of unit, including any of the roof support system in the unit, but excluding shingles, sheathing and any insulation which is attached to the sheathing.

(2) Lower Boundary: A horizontal plane (or planes), the elevation of which coincides with the elevation of the lowest surface of the concrete subfloor or floor slab

thereof, to include the concrete subfloor or floor slab in the unit.

(b) Vertical (perimetric) Boundaries. The vertical boundaries of the Unit shall be (i) with respect to contiguous Units, the vertical plane of the center line of any party walls separating two contiguous Units, extended laterally to intersect with the upper and lower (horizontal) boundaries; and (ii) with respect to Common Elements, the vertical plane of the outermost surface of the exterior walls bounding the Unit, to include the perimeter, front, rear and side walls in the unit, extended laterally to intersect with each other and with the upper and lower (horizontal) boundaries.

(c) Equipment and Appurtenances. Equipment, appurtenances and apparatus located within any Unit, or (whether or not within the Unit) designed or designated to serve only the Unit, including by way of example and not as a limitation furnaces, air-conditioning equipment, mechanical equipment, appliances, non-bearing partition walls, flooring materials, plumbing fixtures and apparatus, electrical receptacles and outlets, fixtures, cabinets, plenums, chimneys, chimney caps, gutters and downspouts, steps, stoops, balconies, porches, decks, doors, trim, awnings, shutters, windows, bay windows, window boxes, window wells, bearing walls, bearing columns, bollards, basements, footings, basement drain tiles, pipes and utility lines, chutes, flues, ducts, conduits, sinage, exterior lighting, wires and the like shall be considered a part of the Unit and not

a part of the Common Elements. Any of the foregoing, or portions thereof, which serve more than one Unit or any part of the Common Elements shall be considered a part of the Common Elements.

(d) Projections. Any part or appurtenance of a roof supporting or necessary to the structural integrity of a Unit that overhangs the Common Elements or any other Unit shall be considered a part of the Unit to which such appurtenance is attached and not a part of the Common Elements or Unit over which it hangs. Any part or appurtenance of a concrete subfloor or floor slab supporting or necessary to the structural integrity of a Unit that overhangs or projects below the Common Elements or any other Unit shall be considered a part of the Unit to which such appurtenance is attached and not a part of the Common Elements or the unit to which such appurtenance overhangs or projects below.

(e) Party Walls. Any wall separating two contiguous Units shall be deemed a party wall. If it shall hereafter become necessary to repair or rebuild the whole or any portion of the party wall, the expense of such repairing or rebuilding shall be borne equally by each adjoining Unit Owner. Whenever the party wall or any portion thereof shall be rebuilt, it shall be erected on the same spot where it stands, be of the same size, and of the same or similar materials, and of like quality.

Section 4. Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary description, the

provisions of the Bylaws shall govern the division of maintenance and repair responsibilities between the Unit Owner and the Unit Owners Association of the Condominium (the "Association"). The Association shall have a right of access to any Unit space or Limited Common Element space in order to perform maintenance and repairs as set forth herein and in the Bylaws.

Section 5. Relocation of Unit Boundaries. Relocation of Unit boundaries shall be permitted in accordance with Virginia Code §55.79.69 with the written permission of the Declarant during the period of Declarant Control and with the written permission of the Board of Directors thereafter.

Section 6. Subdivision of Units. The subdivision of Units shall be permitted in accordance with Virginia Code §55.79.70 with the written permission of the Declarant during the period of Declarant control and with the written permission of the Board of Directors thereafter.

Section 7. Unit as Property. Each Unit in the Condominium shall have all of the incidents of real property. Each Unit in the Condominium shall constitute for all purposes a separate parcel of real property distinct from all other Units.

ARTICLE III

ADMINISTRATION OF THE CONDOMINIUM BY THE UNIT OWNERS ASSOCIATION

A nonprofit, nonstock Virginia corporation known as L & M Warehouses Unit Owners Association, Inc. will function as the Unit Owners Association (the "Association"). Nothing herein shall be construed as requiring the Association to continue

operation in corporate form. The Association will administer the operation and management of the Condominium and shall have the power to perform all acts and duties incident to such administration in accordance with the terms of its Articles of Incorporation and its Bylaws which are attached to this Declaration as Exhibits E and F, respectively, as well as in accordance with the terms of the Condominium Act. All Unit owners shall automatically become members of the Association and such membership shall automatically terminate upon divestiture of such ownership regardless of how such ownership is divested. No person, firm or corporation holding any lien, deed of trust or other encumbrance upon any Unit or upon the Condominium as a whole shall be entitled by virtue of such lien, deed of trust or other encumbrance to membership in the Association. The Association shall have and is hereby granted the authority to enforce the provisions of this Declaration, the Articles of Incorporation and Bylaws and to enforce such rules and regulations governing the use of the Units and all other property in the Condominium as the Board of Directors of the Association may determine.

ARTICLE IV

EASEMENTS

In addition to such easements as are created in the Condominium Act and otherwise provided by law, the following easements are hereby reserved:

Section 1. Easements for Encroachments. In the event any portion of the Common Elements encroaches upon any Unit, or in

the event any Unit encroaches upon any other Unit or any of the Common Elements, whether by reason of the settling or shifting of any land or improvements or the construction, repair, renovation, restoration or replacement of any improvement, as duly authorized, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the building stands.

In the event any portion of the Condominium is partially or totally damaged or destroyed by fire or other casualty, or as a result of condemnation or eminent domain proceedings, and then repaired or reconstructed as authorized in the Bylaws of the Unit Owners Association and the Condominium Act, encroachments of any portion of the Common Elements upon any Unit or of any Unit upon any other Unit or any portion of the Common Elements due to such repair or reconstruction shall be permitted, and valid easements for such encroachments and the maintenance of the same shall exist so long as the building stands.

For all purposes incident to the interpretation of deeds, the Condominium Plat and all other instruments of title relating to any Unit in the Condominium, the existing physical boundaries of any Unit construction or reconstructed in substantial conformity with the Condominium Plat shall be conclusively presumed to be its boundaries, regardless of the shifting, settling or lateral movement of any building and regardless of minor variations between the physical boundaries shown on the Condominium Plat and those of any Unit.

Section 2. Easement to Facilitate Sales. There is hereby reserved to the Declarant and its duly authorized agents, representatives and employees, without limitation or restriction, the statutory easement to facilitate sales provided in Section 55-79.66 of the Condominium Act. Declarant reserves the right to use any Units owned by Declarant as models, management offices or sales offices until such time as Declarant conveys title thereto to the Unit Owners. Declarant reserves the right to relocate the same from time to time within the Property; upon relocation or sale of a model, management office or sales office, the furnishings thereof may be removed. Declarant further reserves the right to maintain on the Property such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on the Property, including the exterior wall of any Unit, and may be relocated or removed, all at the sole discretion of Declarant.

Section 3. Easements for Ingress, Egress, Access and Support. Subject to the limitations in this Declaration provided for, the Common Elements of the Condominium shall be subject to mutual rights of support, access, use and enjoyment by all of the Unit Owners.

(a) Each Unit Owner is hereby granted an easement in common with each other Unit Owner for ingress and egress through all Common Elements, subject to such reasonable rules, regulations and restrictions as may be established by the Unit Owners Association. Each Condominium Unit is hereby burdened with and

subjected to an easement for ingress and egress through all Common Elements by persons lawfully using or entitled to the same. The fire department of the governing body having jurisdiction is hereby granted an easement for reasonable emergency access to the Condominium on, over and through the Common Element roadways, parking lots and walkways of the Condominium for the limited purpose of properly conducting its public safety responsibilities.

(b) Each Unit in the Condominium shall be subject to an easement for the benefit of the other Unit Owners, the Unit Owners Association and the Declarant to and for the unobstructed and uninterrupted use of any and all pipes, ducts, flues, chutes, conduits, cables, wires, utility lines and the like, and for access through each Unit for the purpose of inspecting, maintaining, replacing and repairing the Common Elements and for all other purposes reasonably necessary for the exercise and discharge of their respective powers and responsibilities. In the case of emergency, such access and entry shall be immediate whether the Unit Owner is present at the time or not.

Each unit shall also be subject to an easement for the benefit of the other Unit Owners, the Unit Owners Association and the Declarant to and for the unobstructed use of the exterior walls of each Unit for the support of site lighting, signage advertising the sale or lease of Units within the Condominium and the like and for access through each Unit for the purpose of inspecting, maintaining, placing, or replacing the same.

(c) Each Unit and Common Element shall have an easement for lateral and subjacent support from every other Unit and Common Element.

(d) Any and all streets and roadways within the Condominium are hereby declared to be subject to the non-exclusive easement to the owners of property adjacent or reasonably proximate to the Condominium for all purposes reasonably related to vehicular and pedestrian ingress and egress to and from such property.

Section 4. Easement for Use of Common Elements of the Condominium.

(a) Extent of Easement. The right of enjoyment of the common elements of the Condominium shall be subject to the right of the Unit Owners Association to adopt rules and regulations governing such use.

(b) Delegation of Use. Any person having the right to use the common elements may delegate such rights to tenants in possession and to such other persons as may be permitted by the Unit Owners Association.

(c) Rights to Use. Each person having the right to use the common elements and each person to whom such right has been delegated shall comply with the rules and regulations regarding such use, as such rules and regulations may be established and amended from time to time by the Board of Directors. Such rights to use may be suspended upon failure of a Unit Owner to pay his condominium assessment.

ARTICLE VCOMMON ELEMENTS

Section 1. Common Elements. The Common Elements shall include all of the Condominium except for the Units.

Section 2. Limited Common Elements. The Limited Common Elements of the Condominium are those Common Elements designated herein or on the Condominium Plat as such. Any areas designated on the Condominium Plat as a parking space, dumpster pad, mechanical equipment pad, loading area, courtyard, patio, storage area or the like, and designated herein or on the Condominium Plat as Limited Common Elements, are Limited Common Elements reserved for the exclusive use of the owner or owners of the Unit or Units to which they are adjacent or to which they are declared to be appurtenant by appropriate designation herein or on the Condominium Plat.

Any or all parking spaces now existing or hereafter created with the Condominium may be assigned or reassigned as Limited Common Elements. Such assignments may be made by the Declarant and shall be confirmed by amendments to this Declaration pursuant to Section 55-79.57 of the Code of Virginia. Upon the termination of the period of Declarant control, such assignments may be made only by the Board of Directors of the Unit Owners' Association pursuant to Section 55-79.57 of the Code of Virginia. Any such assignment by said Board of Directors shall be based, if possible, upon the criteria used by the Declarant to determine number and location of parking spaces.

Section 3. Covenant Against Partition. The Common Elements of the Condominium shall remain undivided. Except in the event of the termination of the Condominium or as may otherwise be provided for in the Condominium Act, the Common Elements shall not be subject to any suit for partition or for the division thereof.

Section 4. Easements. The Common Elements of the Condominium shall be subject to mutual rights of support, access, use and enjoyment by all of the Unit Owners; provided, however, that any portions of the Common Elements designated as Limited Common Elements are reserved for the exclusive use of the owner or owners of the Unit or Units to which they are adjacent or to which they are declared to be appurtenant by appropriate designation on the Condominium Plat.

ARTICLE VI

PERCENTAGE INTERESTS: VOTING

Section 1. Undivided Percentage Interests in Common Elements. Each Unit Owner shall own an undivided percentage interest in the Common Elements of the Condominium equal to that set forth on Exhibit D attached hereto and by this and other reference made a part hereof. The undivided percentage interests in the Common Elements set forth on Exhibit D shall have a permanent character and, except as specifically provided for in the Condominium Act and this Declaration, may not be changed without the written consent of all of the Unit Owners affected by

such a change. The undivided percentage interests in the Common Elements set forth on Exhibit D may not be separated from the Unit to which they appertain. Any instrument, matter, circumstance, action, occurrence or proceeding in any manner affecting a Condominium Unit shall also affect, in like manner, the undivided percentage interest in the Common Elements appertaining to the Unit, whether or not such percentage interest is expressly described or mentioned. Any purported transfer, encumbrance or other disposition of the undivided percentage interest in the Common Elements appertaining to a Unit, without the Condominium Unit to which it appertains, shall be void.

Section 2. Percentage Interest in Common Expenses and Common Profits. Each Condominium Unit Owner shall have a percentage interest in the Common Expenses and Common Profits of the Condominium equal to that set forth on Exhibit D attached hereto and by this and other reference made a part hereof. The percentage interests in the Common Expenses and Common Profits set forth on Exhibit D shall have a permanent character and, except as specifically provided for in the Condominium Act and this Declaration, may not be changed without the written consent of all of the Condominium Unit Owners affected by such a change. The percentage interests in the Common Expenses and Common Profits set forth on Exhibit D may not be separated from the Condominium Unit to which they appertain. Any instrument, matter, circumstance, action, occurrence or proceeding in any manner affecting a Condominium Unit shall affect, in like manner,

the percentage interests in the Common Expenses and Common Profits appertaining to such Unit whether or not such percentage interest is expressly described or mentioned.

Section 3. Voting Rights. At every meeting of the Unit Owners, each Unit Owner shall have the right to cast the number of votes appurtenant to his Unit, as set forth on Exhibit D attached hereto and by this and other reference made a part hereof, on each question.

ARTICLE VII

RIGHT TO LEASE OR SELL UNITS

Declarant shall retain title to each Unit not sold to any purchaser. Declarant retains the right to enter into leases with any third parties for the occupancy of any of the Units retained by Declarant and not sold to any purchaser.

ARTICLE VIII

PRIORITY OF MORTGAGES

No provision of the Condominium Instruments shall be construed to grant to any Unit Owner, or to any other person, any priority over any rights of first mortgagees of Units in the case of a distribution to such Unit Owner of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

Any first mortgagee of a Unit who obtains title to a Unit pursuant to the remedies provided in the deed of trust or foreclosure thereunder will not be liable for such Unit's unpaid

dues, charges or assessments which accrue prior to the acquisition of title to such Unit by the first mortgagee.

ARTICLE IX

NO OBLIGATIONS

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

ARTICLE X

USE RESTRICTIONS:
UNLAWFUL USE OR NUISANCE RESTRICTION

Each Unit is hereby restricted to non-residential use.

Any owner that has leased his Unit, shall annually execute and deliver to the Association a written statement designating the name or names of those persons entitled to use the Unit, together with a written covenant from that party or those parties in favor of the Association stating that there will be full compliance with all the terms and provisions of this Declaration, the Articles and Bylaws and all rules and regulations enacted by the Board of Directors of the Association or the Association's managing agent. In the event that such covenants are violated, the aforesaid owner shall cause such party or parties to vacate the Unit and in the event such party or parties do not vacate the Unit the Association shall take whatever measures are necessary to have the party or parties removed from the Unit and shall

assess the owner for any costs or attorney's fees caused by such measures.

No improper, offensive or unlawful use shall be made of any Unit or any part thereof, or of the Common Elements or Limited Common Elements, and all laws and regulations of all governmental authorities shall be observed that affect the Condominium. No Unit Owner shall permit or suffer anything to be done or kept in or on his Unit, or in or on the Common or Limited Common Elements which will increase the rate of insurance on the Condominium, which will obstruct or interfere with the rights of other occupants of the Condominium, which will be a nuisance to those occupants, or which will interfere with the peaceful possession or proper use of any other Unit or other property on the Condominium.

ARTICLE XI

AMENDMENT AND TERMINATION

Subject to rights reserved by the Declarant in the Bylaws and this Declaration, if there is any Unit Owner other than the Declarant, then the following actions may be taken with the approval of Unit Owners as follows:

(a) Amendment of this Declaration or the Bylaws shall require an affirmative vote of the Unit Owners of at least a majority of the Aggregate Percentage Interests in the Condominium except in cases where the Condominium Act provides different methods of amendment. Termination of the Condominium shall

require an affirmative vote of the Unit Owners of at least seventy percent (70%) of the Aggregate Percentage Interests in the Condominium.

ARTICLE XII

ASSIGNS AND SUBSEQUENT OWNERS

The restrictions, burdens and obligations imposed by any covenants of this Declaration, the Articles of Incorporation of the Association and the Bylaws are intended to and shall constitute covenants running with the Land. The Condominium and each Unit and its appurtenant undivided interest in the Common Elements and its interest in any Limited Common Elements are subject thereto. These covenants shall be binding upon the Declarant, its successors and assigns and upon all parties who may subsequently become Unit Owners and their respective heirs, legal representatives, successors, and assigns.

ARTICLE XIII

MISCELLANEOUS

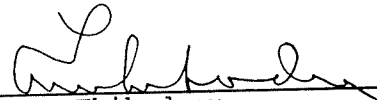
Section 1. Captions. The captions herein are inserted for convenience only and do not define, limit or describe the provisions contained herein.

Section 2. Severability. In the event any of the terms, provisions or covenants of this Declaration are held to be partially or wholly invalid or are unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions of covenants hereof, or the remaining portions of any

terms, provisions or covenants held to be partially invalid or unenforceable.

Section 3. Liberal Construction and Genders. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of Condominium ownership. Throughout this Declaration, wherever appropriate, the singular shall include the plural and the masculine gender, the feminine or neuter.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed by its principal officer this 6 day of November, 1987.



Leo T. Thibodeau



Mary Ellen Thibodeau

State of Virginia

The foregoing Declaration was acknowledged before me this 6th day of November, 1987 by Leo T. Thibodeau and Mary Ellen Thibodeau.

My commission expires:
2-5-88



NOTARY PUBLIC

EXHIBIT A
LEGAL DESCRIPTION
LOT 14
CONNER CENTER
PHASE 2
CITY OF MANASSAS PARK, VIRGINIA
2.5371 ACRES
SEPTEMBER 30, 1987

BEGINNING at a point in the southerly right-of-way line of Venture Court, a 60 foot wide public roadway, said point being a corner to Lot 15 and being the northeasterly corner of the herein described parcel;

thence, going with the line of Lot 15 S49°00'05"E for 496.66 feet to a point in the northerly right-of-way line of Southern Railroad;

thence, with the line of Southern Railroad with the arc of a curve to the right having a radius of 10,696.19 feet and an arc length of 247.84 feet to a point being a corner to the lands of Browning Farris Industries;

thence, departing the right-of-way line of Southern Railroad and going with the line of Browning Farris Industries N44°47'52"W for 106.48 feet to a point;

thence, continuing with the line of Browning Farris Industries S84°10'52"W for 128.61 feet to a point being a corner to Lot 13;

thence, with the line of Lot 13 N05°49'08"W for 419.06 feet to a point on the right-of-way line of the aforementioned Venture Court;

thence, with the right-of-way line of Venture Court with the arc of a curve to the left having a radius of 68.00 feet and an arc length of 51.28 feet to the point of beginning and containing 2.5371 acres more or less and being the same as shown on a plat by Commonwealth Consulting Engineers dated August 25, 1987, and being subject to all easements and restrictions of record.

EXHIBIT D TO DECLARATION

<u>Unit</u>	<u>Percentage interest in Common Elements, Common Expenses and Common Profits</u>	<u>Votes</u>
A	3,450 s.f. of 22,400 s.f. = 15.4%	154 of 1000
B	8,100 s.f. of 22,400 s.f. = 36.1%	361 of 1000
C	1,750 s.f. of 22,400 s.f. = 7.8%	78 of 1000
D	2,100 s.f. of 22,400 s.f. = 9.4%	94 of 1000
E	2,100 s.f. of 22,400 s.f. = 9.4%	94 of 1000
F	2,100 s.f. of 22,400 s.f. = 9.4%	94 of 1000
G	2,800 s.f. of 22,400 s.f. = 12.5%	125 of 1000

RECORDED W/CERTIFICATE ANNEXED

87 DEC -7 PM 12: 21

PRINCE WILLIAM CO., VA.

TESTE: *Chalton Elwell*
CLERK

BYLAWS CONTENTS
OF
L & M WAREHOUSES UNIT OWNERS ASSOCIATION, INC.

	<u>Page</u>
1. IDENTITY	1
A. Provisions of Declaration and Articles of Incorporation to Control.	1
B. Defined Terms and Coverage.	2
C. Office.	2
2. UNIT OWNERS ASSOCIATION.	2
A. Qualification of Members.	2
B. Powers of Association	2
C. Annual Meetings	3
D. Special Meetings.	3
E. Notice of Meetings.	5
F. Adjournment of Meetings	5
G. Order of Business	5
H. Title of Units.	6
I. Proxies and Voting Certifications	6
J. Voting.	7
K. Quorum.	8
L. Conduct of Meetings	8
3. BOARD OF DIRECTORS	9
A. Number and Qualification.	9
B. Powers and Duties	9
C. Organizational Meeting.	13
D. Regular Meetings.	13
E. Special Meetings.	13
F. Waiver of Notice.	14
G. Quorum of Board of Directors.	14
H. Compensation.	15
I. Conduct of Meeting.	15
J. Action Without Meeting.	15
K. Vacancies	15
L. Liability of the Board of Directors, Officers, Unit Owners and Association	16
M. Common or Interested Members.	18
N. Execution of Documents.	19
O. Managing Agent.	19
P. Removal	21
4. OFFICERS	21
A. Number of Officers.	21
B. President	22
C. Vice President.	22
D. Secretary	22
E. Treasurer	23
F. Compensation.	23
G. Vacancies	23

Return to:
 Cowles, Rinaldi & Arnold, Ltd.
 10521 Judicial Drive, Suite 204
 Fairfax, Virginia 22030

BYLAWS CONTENTS (CONT)

5.	OPERATION OF THE CONDOMINIUM	23
	A. Determination of Common Expenses and Assessments Against Unit Owners	23
	B. Further Provisions Concerning Payment of Common Expenses.	28
	C. Collection of Assessments	29
	D. Statement of Common Expense	30
	E. Maintenance, Repair, Replacement and Other Common Expenses.	30
	F. Additions, Alternations or Improvements by Board of Directors.	32
	G. Additions, Alterations or Improvements by Unit Owners.	33
	H. Right of Access	35
	I. Use of Common Elements and Limited Common Elements for Storage.	36
6.	INSURANCE.	36
	A. Authority to Purchase	36
	B. Physical Damage Insurance	38
	C. Liability Insurance	40
	D. Other Insurance	41
	E. Separate Insurance.	41
	F. Board of Directors as Agent	42
7.	REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY.	42
	A. Repair and Reconstruction Requirement	42
	B. Procedure for Reconstruction and Repair	43
	C. Disbursements of Construction Funds	43
	D. When Construction is Not Required	44
8.	MORTGAGES.	45
	A. Notice to Board of Directors.	45
9.	COMPLIANCE AND DEFAULT	45
	A. Relief.	45
	B. Lien for Assessments.	48
	C. Supplemental Enforcement of the Lien.	49
	D. Subordination and Mortgage Protection	50
10.	AMENDMENT TO BYLAWS AND CONDOMINIUM AND TERMINATION.	51
	A. Amendments and Termination.	51
	B. Method of Amending.	51
	C. Termination	53
11.	MISCELLANEOUS.	55
	A. Notices	55
	B. Captions.	56
	C. Gender, Singular/Plural	56

BYLAWS
OF
L & M WAREHOUSES UNIT OWNERS ASSOCIATION, INC.

ARTICLE 1. IDENTITY.

These are the Bylaws of L & M Warehouses Unit Owners Association, Inc., a non-profit corporation organized under the laws of the Commonwealth of Virginia, the Articles of Incorporation of which were filed with the State Corporation Commission on November 2, 1987 (hereinafter known as "Articles of Incorporation"). L & M Warehouses Unit Owners Association, Inc. (the "Association") has been organized for the purpose of operating and managing L & M Warehouses Condominium, a condominium established in accordance with the laws of the Commonwealth of Virginia upon property lying and being in the City of Manassas Park, Virginia, and described in Exhibit A attached to the formal Declaration of L & M Warehouses Condominium (the "Declaration") and incorporated therein by reference.

Section A. Provisions of Declaration and Articles of Incorporation to Control. The provisions of these Bylaws are applicable to L & M Warehouses Condominium (the "Condominium") and the terms and provisions hereof are expressly subject to those terms, provisions, conditions and authorizations contained in the Articles of Incorporation and the Declaration of Condominium which are recorded in the Clerk's Office, Circuit Court, Prince William County, Virginia. The terms and provisions of the

Articles of Incorporation and Declaration are controlling if the same should be in conflict herewith.

Section B. Defined Terms and Coverage.

(a) Reference is hereby made to Article I of the Declaration for the meaning of certain initially capitalized terms used herein.

(b) All present or future owners, present or future tenants, the employees of tenants or owners, or any other person that might use the Condominium or any of the facilities therein in any manner, are subject to all the terms and provisions of the Condominium Instruments.

Section C. Office. The office of the Association shall be at L & M Warehouses Condominium, City of Manassas Park, Virginia, or such other place as the Board of Directors shall designate from time to time.

ARTICLE 2. UNIT OWNERS ASSOCIATION.

Section A. Qualification of Members. The qualification of members of the Association, the manner of their admission to membership and termination of such membership shall be set forth in the Condominium Instruments. For all purposes having to do with the administration of the Condominium, the Association shall act as the exclusive agent for the owners of all the Units of the Condominium (the "Owners" or "Unit Owners") as a group.

Section B. Powers of the Association. The Association shall have, in addition to those powers listed in the Articles of Incorporation, all of the powers reasonably necessary to imple-

ment and effectuate the rules and objectives set forth in the Declaration, these Bylaws and all other documents pertaining to the Condominium.

Section C. Annual Meetings. The annual meetings of the Association shall be held on the first day of October of each year, unless such date shall occur on a Saturday or Sunday or holiday, in which event the meeting shall be held on the succeeding Monday. At such annual meetings, the Directors of the Association shall be elected by ballot of the Unit Owners in accordance with the requirements of Section J of this Article. So long as the Declarant shall own Units representing more than twenty-five percent of the aggregate Percentage Interests (but in no event after the expiration of the maximum five year period permitted by the Condominium Act) the Declarant shall be entitled to designate the members of the Board of Directors of the Association. Meetings of the Association shall be held on the premises of the Condominium, at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Directors.

Section D. Special Meetings.

(a) The President of the Association shall call a special meeting of the Association if so directed by resolution of the Board of Directors or, after termination of Declarant's control, upon a petition signed and presented to the Secretary by Unit Owners of not less than one-third of the aggregate Percentage interests. The notice of any Special Meeting shall state

the time, place and purpose thereof. No business shall be transacted at a Special Meeting except as stated in the notice.

(b) On the earlier of (i) a day within thirty days after deeds of conveyance of Units representing seventy-five percent or more the Aggregate Percentage Interests shall have been delivered to Unit Owners by the Declarant or (ii) the expiration of the maximum two year period permitted by the Condominium Act, a Special Meeting of the Association shall be held at which all the Directors of the Association designated by the Declarant shall resign, and the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect successor Directors of the Association to act in the place and stead of those resigning. At this meeting, those two persons elected as Directors receiving from the Association the highest plurality of votes shall serve on the Board of Directors until the second Annual Meeting subsequent to their election, with the remaining Director designated to serve on the Board until the first Annual meeting subsequent to his or her election. Thereafter the terms of the Directors shall remain fixed with two Directors terms being each for a two year term and with one Director's position being for a one year term. Upon expiration of the terms of the Directors, other persons who would qualify under the provisions contained in these Bylaws shall be elected at the annual meeting of the Association to be Directors in the place of the Director or Directors whose terms have expired.

Section E. Notice of Meetings. The Secretary shall mail to each Unit Owner a notice of each annual or regularly scheduled meeting of the Unit Owners at least twenty-one but not more than thirty days, and of each special meeting of the Unit Owners at least seven but not more than thirty days, prior to such meeting, stating the time, place and purpose thereof. The mailing of a notice of meeting in the manner provided in this Section and Section A. of Article 11 of these Bylaws shall be considered proper service of notice.

Section F. Adjournment of Meetings. If at any meeting of the Association a quorum or the required percentage of attendance is not present, Unit Owners of a majority of the Percentage Interests who are present at such meeting in person or by proxy may adjourn the meeting to a time when a quorum for the required percentage of attendance is present.

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

- (a) Roll call and certifying of proxies.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Report of Board of Directors and Officers.
- (e) Reports of committees, if any.

- (f) Election or appointment of inspectors of election (when so required).
- (g) Election of Directors (when so required).
- (h) Unfinished business.
- (i) New business.
- (j) Adjournment.

Section H. Title to Units. Title to a Unit may be taken in the name of one or more persons, or in any manner permitted by law. The Association may acquire, hold and transfer full legal title to one or more Units in its own name.

Section I. Proxies and Voting Certifications. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon, and must be filed with the Secretary before the appointed time of the meeting. Proxies shall be void if not dated, if it purports to be revocable without notice or if the signatures of those executing it are not witnessed by a person who shall sign his full name and address.

The vote of the Owners of a Unit owned by more than one person or by a corporation or other entity shall be cast by the one person named in a Certificate signed by all of the Owners of the Unit and filed with the Secretary of the Association, and such Certificate shall be valid until revoked in writing by any Owner (including partial Owner) of that Unit. If such a Certificate is not on file, the vote of such Owners shall not be

considered in determining the requirement for a quorum, nor for any other purpose.

Section J. Voting. Voting at all meetings of the Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be the Percentage Interest assigned to his Unit in the Declaration. Where the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the person named in a certificate set forth in Section I of this Article. Wherever the approval or disapproval of a Unit Owner is required elsewhere in the Condominium Act or by the Condominium Instruments, such approval or disapproval shall be made only by the person (either in person or by proxy) who would be entitled to cast the vote of such Unit at any meeting of the Association. Except where a greater number is required by the Condominium Act or the Condominium Instruments, the owners of more than fifty percent of the aggregate Percentage Interests in the Condominium voting in person or by proxy at one time at a duly convened meeting at which a quorum is present is required to adopt decisions made at any meeting of the Association. Any specified percentage of the Unit Owners means the Unit Owners owning such Percentage Interests in the aggregate. If the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled. No Unit Owner may vote at any meeting of the Association or be elected to serve as an

officer of the Association if the Association has perfected a lien against his Unit and the amount necessary to release such lien has not been paid at the time of such meeting or election.

In any election of Directors by the members of the Association, there shall be appurtenant to each Unit a total vote equal to the number of Directors to be elected multiplied by the Unit's Percentage Interest as assigned in the Declaration; provided, however, that no Owner of one Condominium Unit may cast a vote greater than the Unit's Percentage Interest for any one person nominated as a Director, it being the intent hereof that voting for Directors shall be noncumulative. Notwithstanding the fact that the Declarant may be entitled to designate and select all of the members of the Board of Directors until the occurrence of those events set forth in Article 2, Section C, the Declarant shall still be entitled to cast the vote for each Condominium Unit owned by it in the elections of other Directors.

Section K. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Unit Owners of twenty-five percent or more of the aggregate Percentage Interests shall constitute a quorum at all meetings of the Association.

Section L. Conduct of Meetings. The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted and all transactions occurring at the meeting. The then current 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. All votes shall be tallied by inspectors appointed by the President or other Officer presiding over the meeting.

ARTICLE 3. BOARD OF DIRECTORS.

Section A. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. Until deeds of conveyance representing more than seventy-five percent of the aggregate Percentage Interests shall have been delivered to Unit Owners by the Declarant and thereafter until their successors have been elected by the Unit Owners, the Board of Directors shall consist of three persons as may be designated by the Declarant; provided, however, that the foregoing power of designation shall not extend beyond the two year maximum period permitted by the Condominium Act. Thereafter the Board of Directors shall be composed of three persons, who shall be elected by the members of the Association. During the times when it has the right to designate who the Directors will be, the Declarant shall have the right in its sole discretion to replace any Director or Directors with or without cause and to designate their successors. The time limit on the period of Declarant's control shall commence upon settlement of the first unit to be sold in the Condominium.

Section B. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by the Condominium Act or the Condominium

Instruments required to be exercised and done by the Association acting as a group on the basis of their voting their interests in the Association. The Board of Directors shall have the power from time to time to adopt any rules and regulations ("Rules and Regulations") deemed necessary for the benefit and enjoyment of the Condominium; provided, however, that such Rules and Regulations shall not be in conflict with the Condominium Act, or the Condominium Instruments. The Board of Directors shall delegate to one of its members or to a person employed for such purpose the authority to act on behalf of the Board of Directors on such matters relating to the duties of the Managing Agent (as defined in Section C of this Article), if any, which may arise between meetings of the Board of Directors as the Board of Directors deems appropriate. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall on behalf of the Association:

(a) Prepare an annual budget, in which there shall be established the assessments of each Unit Owner for the Common Expenses.

(b) Make assessments against Unit Owners to defray the costs and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners and establish the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the Board of Directors the annual assessment against each Unit

Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for such month.

(c) Provide for the operation, care, upkeep and maintenance of all of the Property and services of the Condominium.

(d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements and provide services for the Condominium and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of the property owned by the Condominium.

(e) Collect the assessments against the Unit Owners, deposit the proceeds thereof in bank depositories designated by the Board of Directors and use the proceeds to carry out the administration of the Condominium.

(f) To pay all taxes, charges and assessments which are or may become liens against any part of the Condominium, other than Condominium Units and the appurtenances thereto, and to assess the same against the members and their respective Condominium Units subject to such liens.

(g) Make, or contract for the making of, repairs, additions and improvements to or alterations of the Condominium

and repairs to and restoration of the Condominium, in accordance with these Bylaws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

(h) Enforce by legal means the provisions of the Declaration, the Articles of Incorporation, these Bylaws and the Rules and Regulations and act on behalf of the Unit Owners with respect to all matters arising out of any eminent domain proceedings.

(i) Obtain and carry insurance against casualties and liabilities, as provided in Article 6 of these Bylaws, pay the premiums therefor and adjust and settle any claims thereunder.

(j) Pay the cost of all authorized services rendered to the Association and not billed to Unit Owners of individual Units.

(k) Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Property and the administration of the Condominium, specifying the expenses of maintenance and repair of the Common Elements and any other expenses incurred. Such books and vouchers accrediting the entries thereupon shall be available for examination by the Unit Owners or any contract Unit Owner, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner set and announced by the Board of Directors for the general knowledge of the Unit Owners. All books and records shall be kept in accordance with good and

accepted accounting practices, and the same shall be audited, upon a vote of the Board of Directors, by an independent accountant retained by the Board of Directors who shall not be a resident of the Condominium or a Unit Owner. The cost of such audit shall be a Common Expense.

(l) Acquire, lease, manage, hold and dispose of Units and mortgage the same if such expenditures and hypothecations are included in the budget adopted by the Association.

(m) Do such other things and acts not inconsistent with the Condominium Act or the Condominium Instruments which the Board of Directors may be authorized to do by its own resolution.

Section C. Organizational Meeting. Within 30 days after the election of Directors in Accordance with Article 2, Section (D)(b) of these Bylaws, a meeting of the Board of Directors shall be held in order to appoint a Managing Agent and to elect Officers of the Association.

Section D. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by a majority of the members of the Board. Notice of regular meetings of the Board of Directors shall be given to each member of the Board by mail or telegraph, at least five business days prior to the day named for such meeting.

Section E. Special Meetings. Special meetings of the Board of Directors may be called by the President on three business

days notice to each member, given by mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or in like manner and on like notice on the written request of at least two members of the Board.

Section F. Waiver of Notice. Any member may at any time in writing waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member 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, unless such member attends for the specific purpose of challenging such notice. 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 G. Quorum of Board of Directors. At all meetings of the Board of Directors a majority of the Board shall constitute a quorum for the transaction of business, and the votes of a majority of the Board present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, the meeting may be adjourned to a new time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section H. Compensation. Directors' compensation, if any, shall be determined by the members of the Association.

Section I. Conduct of Meetings. The President of the Association shall be a Director and shall preside over all meetings of the Board of Directors. The Secretary who may but does not have to be a Director shall keep a minute book of actions taken by the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The then current 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.

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

Section K. Vacancies. Vacancies in the Board of Directors may be filled by the remaining Directors selecting someone to serve until the next Annual Meeting. In the event of two or more vacancies on the Board, a special meeting of the Association shall be called by the President and the vacancies filled by an election for such purpose except that should any vacancy in the Board of Directors be created in any Directorship previously filled by any person designated and selected by the Declarant,

such vacancy shall be filled by the Declarant designating and selecting, by written instrument delivered to any Officer of the Association, the successor Director to fill the vacated Directorship for the unexpired term thereof.

Section L. Liability of the Board of Directors, Officers, Unit Owners and Association.

(a) The Officers and members of the Board of Directors of the Association shall not be liable to the Association for any mistake of judgment caused by negligence or otherwise, except for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each member of the Association (including Officers and members of the Board of Directors whether or not they are Unit Owners) from and against all contractual liability to others arising out of contracts made by the Officers or the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or knowingly made contrary to the provisions of the Condominium Act, the Declaration, Articles of Incorporation, or these Bylaws in which case those persons dealing in bad faith or dealing knowingly in a contrary manner to the aforesaid provisions shall not be indemnified. Other than has previously been stated in this Section, Officers and members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association and shall be considered as only acting as agents for the Association. The liability, if any, of any Unit Owner arising out of any contract

made by the Officers or Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors or Officers, or for damages as a result of injuries arising in connection with the Common Elements solely by virtue of his ownership of a Percentage Interest therein or for liabilities incurred by the Association, shall be limited to the total liability multiplied by his Percentage Interest. Every agreement made by the Officers, the Board of Directors or the Managing Agent on behalf of the Association shall, if obtainable, provide that the Officers, the members of the Board of Directors or the Managing Agent, as the case may be, are acting only as agents of 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 Percentage Interest.

(b) The Association shall not be liable for any failure of water supply or other services to be obtained by the Association or paid for as a Common Expense, or for injury or damage to any person or property caused by the elements or by the Unit Owner of any Condominium Unit, or any other person, or resulting from electricity or water, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment. The Association shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any assessments, as

elsewhere provided herein, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Elements or from any action taken by the Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

Section M. Common or Interested Members. Each Officer of the Association shall exercise his powers and duties in good faith and with a view to the interests of the Condominium. No contract or other transaction between the Association or any of its members, or between the Association and any corporation, firm or association (including the Declarant) in which any of the members of the Association are members or officers or are pecuniarily or otherwise interested, is either void or voidable because any such member is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

(a) The fact of the common membership or interest is disclosed or known to the majority of the Board of Directors or noted in the minutes, and the Board of Directors authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) The fact of the common membership or interest is disclosed or known to at least a majority of the Unit Owners, and

the Unit Owners approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

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

Any common or interested members may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize or disallow any contract or transaction with like force and effect as if such member were not such member or officer of the Association or not so interested.

Section N. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of Two Thousand Dollars shall be executed by at least two persons from a group designated by the Board of Directors. All such instruments for expenditures or obligations of Two Thousand Dollars or less may be executed by any person designated by the Board of Directors.

Section O. Managing Agent. The Board of Directors may employ for the Condominium a "Managing Agent" at a compensation to be established by it.

(a) Duties. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the Managing Agent all of

the powers granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (b) and (1) of Section B of this Article 3 and other than its power to make and amend any Rules and Regulations issued by the Board of Directors. The Managing Agent shall perform the obligations, duties and services relating to management of the Condominium, relating to the rights of Mortgagees and relating to the maintenance of reserve funds in compliance with the provisions of these Bylaws.

(b) Standards. The Board of Directors shall impose appropriate standards of performance upon the Managing Agent. Unless the Managing Agent is instructed otherwise by the Board of Directors:

(i) Cash accounts of the Association shall not be commingled with any other accounts except with the express permission of the Board of Directors;

(ii) No remuneration shall be accepted by the Managing Agent from vendors, independent contractors or others providing goods or services to the Association whether in the form of commissions, finders fees, service fees or otherwise;

(iii) Any discounts received shall benefit the Association; and

(iv) Any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors.

(c) Limitations. Subject to the provisions of Section 55-79.74(b), Code of Virginia, 1950, as amended, during the period when persons designated by the Declarant constitute the Board of Directors, the Board of Directors shall employ a Managing Agent for a term not to exceed two years which Managing Agent may be the Declarant or an employee of the Declarant. Any contract with the Managing Agent must provide that it may be terminated without cause on no more than ninety days written notice.

Section P. Removal. Any one or more of the members of the Board of Directors may be removed, either with or without cause, at any time by an affirmative vote of the majority of Unit Owners at any special meeting called for such purpose, or at an annual meeting; provided, however, that only the Declarant shall have the right to remove a Director appointed by it.

ARTICLE 4. OFFICERS.

Section A. Number of Officers. The Officers of the Association shall be a President, who shall be the Chairperson of the Board of Directors, a Vice President, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by a vote of a majority of the Directors at any meeting with or without cause. Any person may hold two or more offices except that the President shall not also be Vice President, Secretary or an Assistant Secretary. The Board of Directors shall, from time to time, elect such other officers and designate their powers and duties

as the Board shall find to be necessary to manage the affairs of the Association.

Section B. President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the president of any association, including, but not limited to, the power to appoint committees from among the members from time to time, as he may, in his discretion, determine appropriate to assist in the conduct of the affairs of the Association.

Section C. Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

Section D. Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors, and such other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the President.

Section E. Treasurer. The Treasurer shall have custody of all of the property of the Association, including funds, securi-

ties and evidences of indebtedness. He shall keep, or supervise the keeping of, the assessment rolls and accounts of the members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

Section F. Compensation. The compensation of all Officers, if any, and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association, nor preclude their contracting with a Director in the capacity of a Managing Agent.

Section G. Vacancies. Vacancies in any office of the Association shall be filled by a vote of the majority of the Board of Directors at a special meeting held for such purpose promptly after the occurrence of such vacancy. Each person so elected shall be an Officer of the Association for the remainder of the term of the Officer being replaced and until a successor shall be elected at the next Annual Meeting of the Board of Directors.

ARTICLE 5. OPERATION OF THE CONDOMINIUM.

Section A. 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 the Board of Directors, except that in the initial year of the

Condominium's operation, the fiscal year shall commence with the closing of the sale of the first Condominium Unit.

(b) Preparation and Approval of Budget.

(i) On or before the fifteenth day of September of each year, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units, if any, as to which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or a resolution of the Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Condominium and the rendering to the Unit Owners of all related services.

(ii) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. At least seven (7) days before the date of the Association's Annual Meeting, the Board of Directors shall deliver to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the Common Expenses and any special assessment payable by each Unit Owner. Such budget shall constitute the basis for determining

ties and evidences of indebtedness. He shall keep, or supervise the keeping of, the assessment rolls and accounts of the members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

Section F. Compensation. The compensation of all Officers, if any, and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association, nor preclude their contracting with a Director in the capacity of a Managing Agent.

Section G. Vacancies. Vacancies in any office of the Association shall be filled by a vote of the majority of the Board of Directors at a special meeting held for such purpose promptly after the occurrence of such vacancy. Each person so elected shall be an Officer of the Association for the remainder of the term of the Officer being replaced and until a successor shall be elected at the next Annual Meeting of the Board of Directors.

ARTICLE 5. OPERATION OF THE CONDOMINIUM.

Section A. 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 the Board of Directors, except that in the initial year of the

Condominium's operation, the fiscal year shall commence with the closing of the sale of the first Condominium Unit.

(b) Preparation and Approval of Budget.

(i) On or before the fifteenth day of September of each year, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units, if any, as to which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or a resolution of the Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Condominium and the rendering to the Unit Owners of all related services.

(ii) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. At least seven (7) days before the date of the Association's Annual Meeting, the Board of Directors shall deliver to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the Common Expenses and any special assessment payable by each Unit Owner. Such budget shall constitute the basis for determining

each Unit Owner's assessment for the Common Expenses of the Association.

(c) Assessment and Payment of Common Expenses.

Subject to the provisions of Section A of Article 9 hereof pertaining to expense caused by carelessness, conscious act or neglect of a Unit Owner and certain other persons, the total amount of the estimated funds required for the operation of the Condominium set forth in the budget adopted by the Board of Directors shall be assessed against each Unit in accordance with its respective percentage interest and shall be a lien against each Unit as provided in Article 9, Section B of these Bylaws. On or before the first day of each year, and the first day of each of the succeeding eleven months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors), one-twelfth of such assessment. Within ninety days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners and to each Mortgagee an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, if the Board of Directors deems it advisable, be credited according to each Unit Owner's Percentage Interest to the next monthly

installments due from Unit Owners under the current fiscal year's budget, until exhausted. Any net shortage shall be assessed promptly against the Unit Owners in accordance with their Percentage Interests and shall be payable either: (i) in full with payment of the next monthly assessment due; or (ii) in not more than six equal monthly installments, as the Board of Directors may determine.

(d) Reserves. The Association through the Board of Directors shall build up 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 reasons, including non-payment of any Unit Owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Unit Owners according to their respective Percentage Interests, and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten days after the delivery of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if such further assessment is not

payable in installments, the amount of such assessment. Such assessment shall be a lien as of the effective date as set forth in the preceding paragraph (c).

(e) Initial Capital Payment.

(i) Upon taking office, the first Board of Directors elected or designated pursuant to these Bylaws shall determine the budget, as defined in this Section, for the period commencing thirty days after such election or designation, and ending on the last day of the fiscal year in which such election or designation occurs. Assessments shall be levied and become a lien against the Unit during such period as provided in paragraph (c) of this Section.

(ii) The Declarant, as the agent of the Board of Directors, will collect from each initial purchaser at the time of settlement an "initial capital payment" equivalent to three times the estimated monthly assessment for Common Expenses for such purchaser's Unit. The Declarant will deliver the funds so collected to the Board of Directors to provide the necessary working capital for the Association.

(f) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt 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 allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue

to pay each monthly installment at the monthly rate established for the previous fiscal year until notice of the monthly payment is received that is based on the new annual or adjusted budget.

(g) Accounts. All sums collected by the Board of Directors with respect to assessments against the Unit Owners or from any other source may be commingled into a single fund, but shall be held for each Unit Owner in accordance with his Percentage Interest.

(h) Association's Units. Should the Association be the Owner of a Unit or Units, any assessment which would be otherwise due and payable to the Association by the owner of such Unit or Units, reduced by the amount of income which might be derived from the leasing of such Unit or Units by the Association, shall be apportioned and an assessment therefor levied ratably among the other Owners of all Units not owned by the Association based upon the Percentage Interest of those Owners.

Section B. Further Provisions Concerning Payment of Common Expenses.

(a) Resale. Each Unit Owner shall pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section A of this Article 5. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Expenses or by abandonment of his Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recordation

of a conveyance by him in fee of such Unit. Prior to or at the time of any such conveyance, all liens, unpaid charges and assessments shall be paid in full and discharged. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefor.

(b) When an Owner ceases to be a Member of the Association by reason of his divestment of ownership of a Unit or Units, by whatever means, the Association shall not be required to account to that Owner for any share of the fund or assets of the Association or which may have been paid by that Owner to the Association since all monies which any Owner has paid to the Association shall be an asset of the Association to be used in the operation and management of the Condominium.

Section C. Collection of Assessments.

(a) The Board of Directors or the Managing Agent at the request of the Board of Directors shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty days from the due date for payment thereof. Any assessment, or installment thereof, not paid within ten days after due shall accrue a late charge in the amount of Ten Dollars plus interest in the amount

of 12% per annum or such other amount as may be established by the Board of Directors.

(b) The Board of Directors or the Managing Agent at the request of the Board of Directors shall, within the time and in the manner prescribed by Section 55-79.84, Code of Virginia, 1950, as amended, file a memorandum of lien for any assessment due from any Unit Owner that remains unpaid for more than forty-five days from the due date for payment thereof.

Section D. Statement of Common Expense. The Board of Directors shall promptly provide any Unit Owner, contract purchaser or Mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses due from such Unit Owner. The Board of Directors may impose a reasonable charge for the preparation of such statement to cover the cost of preparation to the extent permitted by the Condominium Act.

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

(a) By the Board of Directors. The Board of Directors shall be responsible for all maintenance, repair and replacement, whether structural or otherwise, of the Common Elements. The cost of all such maintenance, repairs and replacements made by the Board of Directors shall be a common expense unless in the opinion of not less than two-thirds (2/3) of the Board of Directors, such expense was necessitated by the negligence, misuse or neglect of a Unit Owner, or a Unit Owner's lessee, in

which event such expense may be charged to the responsible Unit Owner.

The Board of Directors shall not be responsible for the maintenance, repair and replacement of any portion of the heating, air conditioning, plumbing, electrical and mechanical systems located within or partially outside the Unit boundaries if those items serve only that Unit.

(b) By the Unit Owner. Each Unit Owner shall keep his Unit (and all items included within the definition of "Unit") and its equipment, appliances, appurtenances and Limited Common Elements in good order, condition and repair and in a clean and sanitary condition, including keeping them free and clear of all trash, ice and any accumulation of water, and will have total responsibility for all repairs and replacements of any portion of the heating, air conditioning, plumbing, electrical and mechanical systems, located within or partially outside of the Unit boundaries, if those items serve only that Unit. Each Unit Owner shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit and Limited Common Elements. Each Unit Owner shall perform normal maintenance on the Limited Common Elements appurtenant to his Unit and any portion of the remaining Common Elements which the Board of Directors pursuant to the Rules and Regulations has given him permission to utilize. Each Unit Owner shall be responsible for all damage to his Unit and Limited Common Elements or to any other Units or to the Common

Elements resulting from his negligence, misuse or failure to make any of the repairs required by this Section. Each Unit Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Board of Directors or the Managing Agent any defect or need for repairs for which the Board of Directors is responsible.

The Board of Directors shall send to any Unit Owner written notice of any condition, act, or omission it deems to be a violation of this Section and if such violation is not cured within 30 days of such notice, then the Board of Directors may cause such violation to be cured and assess the violating Unit Owner the cost thereof, including a reasonable fee for administration.

(c) Manner of Repair and Replacement. All repairs and replacements shall be of good and workmanlike quality and shall meet all provisions of the building codes used by the City of Manassas Park. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board of Directors.

Section F. Additions, Alterations or Improvements by Board of Directors. Except during the period of Declarant's control, whenever in the judgment of the Board of Directors the Common Elements shall require additions, alterations or improvements amounting to greater than Two Thousand Dollars during any period of twelve consecutive months, the making of such additions,

alterations or improvements shall be approved by a majority of the Unit Owners, and the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing Two Thousand Dollars or less during any period of twelve consecutive months may be made by the Board of Directors without approval of the Unit Owners and the cost thereof shall constitute a Common Expense. Notwithstanding the foregoing, if, in the opinion of a majority of the members of the Board of Directors, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of the Unit Owner or Unit Owners requesting the same, such requesting Unit Owners shall be assessed therefor in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors.

Section G. Additions, Alterations or Improvements By Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to any Unit without first obtaining the prior written consent of the Board of Directors, and the approval of appropriate and necessary authorities of the City of Manassas Park, Virginia. No Unit Owner shall paint or alter the exterior of his Unit, including but not limited to the doors, windows, signs, lights, bollards and roof, nor shall any Unit Owner paint or alter the exterior of the building, or install electrical wiring, television or radio antennae or other

objects, machines or air conditioning units which may protrude through the walls or roof of the Condominium or in any manner alter the appearance of any exterior portion of the Condominium without such permission. The Board of Directors shall be obligated to answer any written request by a Unit Owner for approval of any such proposed addition, alteration or improvement to such Unit Owner's Unit within forty-five days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration or improvement. If any application to any governmental authority for a permit to make any such addition, alteration or improvement in or to any Unit requires execution by the Association, and provided consent has been given by the Board of Directors, then the application shall be executed on behalf of the Association by the Board of Directors only; without, however, incurring any liability of the part of the Board of Directors or Association or any of them to any government, municipality, contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having claim for injury to persons or damage to property arising therefrom. The Unit Owner shall pay the costs of filing any applications.

The Board of Directors shall send to any Unit Owner written notice of any condition, act, or omission it deems to be a violation of this Section and if such violation is not cured within 30 days of such notice, then the Board of Directors may

cause such violation to be cured and assess the violating Unit Owner the cost of thereof including a reasonable fee for administration.

The provisions of this Section G shall not apply to Units owned by the Declarant until initial deeds of conveyance of such Units from the Declarant to purchasers shall have been recorded; provided, however, that Declarant's alterations and construction shall be architecturally compatible with existing Units. The Declarant shall have the right to make such alterations without consent of the Board of Directors and the Board of Directors shall execute any such application required. The Declarant shall pay the costs of filing such applications.

Section H. Right of Access. By acceptance of a deed of conveyance, each Unit Owner thereby grants a right of access to his Unit, as provided by Section 55-79.79(a), Code of Virginia, 1950, as amended, and Article IV of the Declaration, to the Board of Directors or the Managing Agent, or any other person authorized by the Board of Directors or the Managing Agent, or any group of the foregoing, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including without limitation making inspections, correcting any condition originating in his Unit and threatening another Unit or the Common Elements, performing installations, alterations or repairs to the Common Elements in his Unit or elsewhere in the Property or to correct any condition which violates these Bylaws, valid Rules and Regulations then in force, on any mortgage or

deed of trust of an institutional lender having a valid lien on all or any part of the Condominium; provided, however, that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section I. Use of Common Elements and Limited Common Elements for Storage. No Unit Owner shall place or cause or permit to be stored on or in Common Elements or Limited Common Elements any packages or objects of any kind without the express written consent of the Board of Directors. The Board of Director may, in connection with such permission, require that such storage be suitably located, screened, or limited in volume or duration.

ARTICLE 6. INSURANCE.

Section A. Authority to Purchase.

(a) Except as otherwise provided in Section E of this Article 6, all insurance policies relating to the Condominium shall be purchased by the Board of Directors. Neither the Board of Directors nor the Managing Agent nor the Declarant shall be liable for failure to obtain any coverages required by this Article 6 or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverage from an insurance company having the qualifications set forth in subsection (d) of this Section or if, in the opinion of the Board of Directors, such coverage is prohibitively expensive.

(b) Each such policy shall provide that:

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

(ii) Such policy shall not be cancelled, invalidated or suspended due to the conduct of any Unit Owner (including his invitees, lessees, agents and employees) or of any member, officer or employee of the Board of Directors or the Managing Agent without a prior demand in writing that the Board of Directors or the Managing Agent cure the defect and without sixty days having elapsed after such a demand without a cure of the defect;

(iii) Such policy may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least sixty days prior written notice to the Board of Directors and the Managing Agent and, in the case of physical damage insurance, to all Mortgagees.

(c) The Declarant, so long as it shall own any Unit, shall be protected by all such policies as a Unit Owner.

(d) All policies of insurance shall be written by reputable companies licensed to do business in the Commonwealth of Virginia and having a rating by Best's Key Rating Guide of B+ or better. Physical damage policies shall be in form and substance acceptable to the Mortgagees of the Condominium.

(e) When any policy of insurance has been obtained by or on behalf of the Unit Owners Association, written notice of the attainment thereof and/or any subsequent changes therein or termination thereof shall be promptly furnished to each Unit Owner in the same manner that notices of meetings are required.

(f) The coverage provided to the Declarant under the insurance policies obtained in compliance with this Article shall not be deemed to protect or be for the benefit of any contractor engaged by the Declarant nor shall such coverage be deemed to protect the Declarant against liability for (or waive any rights with respect to) warranty claims.

Section B. Physical Damage Insurance.

(a) The Board of Directors shall obtain and maintain a blanket, "all-risk" form policy of fire insurance with extended coverage, vandalism, malicious mischief, wind-storm, debris removal, and water damage endorsements, insuring the entire Condominium (including all of the Units but not including furniture, wall coverings, furnishing or other personal property supplied or installed by Unit Owners), together with any heating or air conditioning equipment and other service machinery contained therein and covering the interests of the Association, the Board of Directors and all Unit Owners and their Mortgagees, as their interests may appear in an amount equal to 100% of the then current replacement cost of the Condominium (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation

(such amount to be redetermined annually by the Board of Directors with the assistance of the insurance company affording such coverage).

(b) The Board of Directors shall make every reasonable effort to have such policy also provide:

(i) The following endorsements (or equivalent):

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

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

(cc) "'agreed amount" or elimination of co-insurance clause; and

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

(c) A duplicate original of the policy of physical damage insurance, all renewals thereof, and any subpolicies or certificates and endorsements issued thereunder together with proof of payment of premiums shall be delivered by the insurer to

any Mortgagee so requesting them at least thirty days prior to expiration of the then current policy.

Section C. Liability Insurance. The Board of Directors shall obtain and maintain comprehensive general liability (including libel, slander, false arrest and invasion of privacy coverage and errors and omissions coverage for Directors and Officers) and property damage insurance with limits of at least \$500,000.00 as the Board of Directors may from time to time determine, insuring each member of the Board of Directors, the Officers, the Managing Agent, each Unit Owner and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) 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: (a) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; (b) hired and non-owned vehicle coverage; (c) deletion of the normal products exclusion with respect to events sponsored by the Association; and (d) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Association or of another Unit Owner. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than \$500,000.00 covering all claims for bodily injury or property damage arising out of one occurrence.

Section D. Other Insurance. The Board of Directors may obtain and maintain:

(a) Adequate fidelity coverage to protect against dishonest acts on the part of Officers, members, trustees and employees of the Association and all others who handle, or are responsible for handling, funds of the Association, including the Managing Agent. The premium on such bonds shall constitute a Common expense. Such fidelity bonds shall: (i) name the Association as an obligee; (ii) be written in the amount of \$25,000.00, or such other amount as the Board of Directors deems adequate but, in no event, in an amount less than 150% of the estimated annual operating expenses of the Association; and (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;

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

(c) Such other insurance as the Board of Directors may determine or as may be requested from time to time by a majority of the Unit Owners.

Section E. Separate Insurance. Each Unit Owner is encouraged and shall have the right, at his own expense, to obtain insurance for his own Unit and for his own benefit and to obtain insurance coverage upon his personal property and for his personal liability as well as upon any improvements made by him to his Unit under coverage normally called "tenants improvements

and betterments coverage"; provided, however, that no Unit Owner shall be entitled to exercise his right to acquire or maintain such insurance coverage so as to decrease the amount which the Board of Directors, on behalf of all Unit Owners, may realize under any insurance policy maintained by the Board of Directors to be brought into contribution with insurance coverage obtained by a Unit Owner. All such policies shall contain waivers of subrogation. No Unit Owner shall obtain separate insurance policies on the Condominium except as provided in this Section E.

Section F. Board of Directors as Agent. The Board of Directors is hereby irrevocably appointed the agent for 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 of Directors, to execute and deliver releases upon the payment of claims, and to receive and hold any insurance proceeds for the benefit of the insured.

ARTICLE 7. REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY.

Section A. Repair and Reconstruction Requirement. In the event of damage to or destruction of the Condominium as a result of fire or other casualty the Board of Directors shall arrange for and supervise the prompt repair and restoration of the Condominium including any damaged Units, and the bathroom

fixtures and appliances initially installed therein by the Declarant, the replacements thereof installed by the Declarant, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Unit Owners in the Units. Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the redecorating of his own Unit.

Section B. Procedure for Reconstruction and Repair.

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

(b) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the original construction of the Condominium.

Section C. Disbursements of Construction Funds.

(a) Constuction Fund and Disbursement. The proceeds of insurance collected on account of casualty, and the sums received by the Board of Directors from collections of assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed upon the

order of the Board of Directors in payment of the costs of reconstruction and repair.

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

(c) Common Elements. When the damage is to both Common Elements and Units, the insurance proceeds shall be applied first to the cost of repairing the Common Elements and thereafter to the cost of repairing the Units.

Section D. When Construction is Not Required. In the event that two-thirds or more of the Condominium is rendered untenable and seventy percent (70%) or more of the Owners vote at a Special Meeting of the Association (to be held for such purpose within thirty days after such casualty) that the Condominium not be repaired and in the event that the insurance policy covering such damage does not require otherwise, then any insurance proceeds received on account of such damage along with the net assets of the Condominium, shall be divided by the Board of Directors among all Unit Owners in proportion to their respective Percentage Interests, after first paying out of the share of each

Unit Owner, to the extent sufficient therefor, the amount of any unpaid liens on that Owner's Unit in the order of priority of such liens.

ARTICLE 8. MORTGAGES.

Section A. Notice to Board of Directors. A Unit Owner who mortgages his Unit shall notify the Board of Directors of the name and address of his Mortgagee and shall file a conformed copy of the note and mortgage with the Board of Directors. In the event of a sale or transfer of a Unit to a third party, the purchaser or transferee shall notify the Association in writing of his interest in the Unit purchased or received.

ARTICLE 9. COMPLIANCE AND VIOLATION

Section A. Relief. Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Declaration, Articles of Incorporation, these Bylaws, any Rules and Regulations and the Condominium Act as any of the same may be amended from time to time. In addition to the remedies provided in Section 55-79.53, Code of Virginia, 1950, as amended, a violation by a Unit Owner shall entitle the Association, acting through its Board of Directors or through the Managing Agent, to the relief as set forth in the following paragraphs:

(a) Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his conscious act, neglect or carelessness of any member of his family or his employees, tenants, agents or licensees, but only to the extent that such expense is not

covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in 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 proceedings 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 of Rights. The failure of the Declarant, the Association, the Board of Directors or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Instruments or the Condominium Act shall not constitute a waiver of the right of the Declarant, the Association, the Board of Directors or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Instruments or the Condominium Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges

as may be granted to such party by the aforesaid documents or Act or at law or in equity.

(d) Interest. In the event of a default by any Unit Owner in paying any sum assessed against his Condominium Unit or for Common Expenses which continues for a period in excess of ten days shall accrue a late charge in the amount of ten dollars and, the principal amount unpaid shall bear interest at the rate of twelve percent per annum from the date due until paid.

(e) Abating and Enjoining Violations by Unit Owners. The violations of any of the Rules and Regulations adopted by the Board of Directors, the breach of any Bylaws contained herein or the breach of any provision of the Declaration, Articles of Incorporation or the Condominium Act shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity the continuance of any such breach.

(f) Legal Proceedings. Failure to comply with any of the terms of the Declaration, the Articles, these Bylaws and the Rules and Regulations shall be grounds for relief, including without limitation, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, or other relief provided for in these Bylaws or any combination thereof and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the Managing

Agent or, if appropriate, by any aggrieved Unit Owner and shall not constitute an election of remedies.

Section B. Lien for Assessments.

(a) The total annual assessment of each Unit Owner for Common Expenses or any special assessment or any assessment made by the Unit Owners Association for violation of the Condominium Instruments, Rules or Regulations made pursuant to these Bylaws is hereby declared to be a lien levied against the Unit of such Unit Owner as provided in Section 55-79.84, Code of Virginia, 1950, as amended, which lien shall, with respect to annual assessments, be effective on the first day of each fiscal year of the Condominium and, as to special assessments, on the first day of the next month which begins more than ten days after delivery to the Unit Owner of notice of such special assessment. The Board of Directors or the Managing Agent may file or record such other or further notice of any such lien, or such other or further document, as may be required by the aforesaid section of the Condominium Act or by the laws of the Commonwealth of Virginia to confirm the establishment and priority of such lien.

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

such effect upon the defaulting Unit Owner and his Mortgagee by the Board of Directors or the Managing Agent.

(c) The lien for assessments may be enforced and foreclosed in the manner provided by the laws of the Commonwealth of Virginia by action in the name of the Board of Directors or the Managing Agent, acting on behalf of the Association. During the pendency of such suit the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale. The plaintiff in such proceeding shall have the right to the appointment of a receiver, if available under the laws of the Commonwealth of Virginia.

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

Section C. Supplemental Enforcement of the Lien. In addition to the proceedings at law or in equity for the enforcement of the lien established by the Condominium Instruments or the Condominium Act, all of the Unit Owners may be required by the Declarant or the Board of Directors to execute bonds conditioned upon the faithful performance and payment of the installments of the lien established thereby and may likewise be required to secure the payment of such obligations by a declaration of trust recorded among the land records of Prince William

County, Virginia, granting unto a trustee or trustees appropriate powers to the end that, upon default in the performance of such bond the aforesaid declaration of trust may be foreclosed by the trustee or trustees acting at the direction of the Board of Directors. In the event any such bonds have been executed and the declaration of trust is recorded, then any subsequent purchaser of a Unit shall take title subject to the declaration of trust and shall assume the obligations provided for therein.

Section D. Subordination and Mortgage Protection. Notwithstanding any other provisions hereof to the contrary, the lien of any assessment levied pursuant to these Bylaws upon any Unit (and any penalties, interest on assessments, late charges or the like) shall be subordinate to, and shall in no way affect the rights of a Mortgagee holding a valid first deed of trust so long as such mortgage or deed of trust was made in good faith for value received; provided, however, that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such Unit pursuant to a decree of foreclosure, or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the purchaser of the Unit at such sale from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessments, which lien shall have the same effect and be enforced in the same manner as provided herein.

ARTICLE 10. AMENDMENT TO BYLAWS AND CONDOMINIUMTERMINATION.

Section A. Amendments and Termination. The Declaration or these Bylaws may not be modified, amended or terminated except as provided in Section 55-79.72, Code of Virginia, 1950, as amended, except that a majority of the aggregate Percentage Interest to amend and 70% of the aggregate Percentage Interests to terminate will be required. Until the expiration of the maximum time permitted by Section 55-79.72(a), Code of Virginia, 1950, as amended, the following Sections, namely: (a) Section C of Article 2 of these Bylaws, (b) Section J of Article 2 of these Bylaws, (c) Section A of Article 3 of these Bylaws and (d) Section A of this Article 10, 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 percent or more of the aggregate Percentage Interests of the Condominium.

Section B. Method of Amending.

(a) The Declaration and these Bylaws may be amended in the following manner: An Amendment or Amendments may be proposed by the Board of Directors of the Association acting upon a vote of a majority of the Directors, or by a majority of the Unit Owners whether meeting as members or by instrument in writing sign by them. Upon any Amendment or Amendments being proposed by the Board of Directors or members, such proposed Amendment or Amendments shall be transmitted to the President of the Association, or other officer of the Association in the absence of the

President, who shall thereupon call a special meeting of the members of the Association. It shall be the duty of the Secretary to give to each member written or printed notice of the special meeting, stating the time and place thereof, and reciting the proposed Amendment or Amendments in reasonably detailed form. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of notice to such member. At the meeting, the Amendment or Amendments proposed must be approved by an affirmative vote of fifty percent (50%) of the Owners of the Units in order for such Amendment or Amendments to become effective. Thereupon such Amendment or Amendments shall be transcribed and certified by the President and Secretary of the Association as having been duly adopted. The original or an executed copy of such Amendment or Amendments, so certified and executed in accordance with the provisions of Section 55.-79.48, Code of Virginia, 1950, as amended, shall be recorded in the Clerk's Office, Circuit Court, Prince William County, Virginia, within ten (10) days from the date on which the same were approved by the Unit Owners, such Amendment or Amendments to specifically refer to the recording date identifying the Declaration or Bylaws which are affected by such Amendment or Amendments. Thereafter, a copy of the Amendment or Amendments in the form in which the same were placed of record by the Officers of the Association shall be delivered to

all the Owners, but delivery of a copy thereof shall not be a condition precedent to the effectiveness of the Amendment or Amendments. At any meeting held to consider the Amendment or Amendments, the written vote of any members of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association prior to such meeting or at such meeting.

(b) No Amendment in the percentage of ownership in Common Elements appurtenant to each Condominium Unit or Amendment that would change unit boundaries or Amendment to the basis for sharing Common Expenses and other apportionment of assessments which may be levied by the Association in accordance with the provisions hereof, or Amendment to the basis of ownership of any reserve funds, shall be made without the prior written consent of all the Owners which would be affected by such an amendment.

(c) No alteration, amendment or modification of the rights and privileges granted and reserved hereunder in favor of the Declarant shall be made without the written consent of the declarant being first had and obtained.

Section C. Termination.

(a) Termination of the Condominium may be affected only by an affirmative vote of seventy percent (70%) of the Unit Owners and only after a termination agreement has been executed by such Unit Owners and recorded in the Clerk's Office, Circuit Court, Prince William County, Virginia, in accordance with

Section 55-79.49, Code of Virginia, 1950, as amended. In addition to the foregoing, termination shall not be allowed unless two-thirds of the holders of all mortgages or deeds of trust that are liens on the Condominium or any of its Units consent in the aforesaid termination agreement that their liens may be transferred to the Unit and its appurtenant interest on which their lien rests once that Unit becomes separated and owned as a tenancy in common by operation of law due to the termination or, in the event of a termination due to casualty, that their liens may be satisfied as set forth in Article 7, Section D.

(b) In the event of termination where there is no casualty as set forth in Article 7, Section D, the Unit Owners shall, as previously stated, own the Condominium as tenants in common in undivided shares with any holders of mortgages or deeds of trust having a lien on such undivided shares. Such undivided share of each Owner shall be in the entire Condominium in proportion to that Owner's undivided share or Percentage Interest in the Common Elements immediately prior to recording an instrument terminating the Condominium. So long as the tenancy in common lasts, each Unit Owner or his heirs, successors or assigns shall have an exclusive right of occupancy of that portion of the Property which formerly constituted his Unit. All funds held by the Association, including insurance proceeds, if any, shall be held for the Unit Owners in the same proportion as their former Percentage Interests. Any costs incurred by the Association in

connection with the termination shall be considered a Common Expense.

(c) Following termination, the property that was formerly the Condominium may be partitioned and sold upon the application of any Unit Owner. Following a termination if the Board of Directors determines by not less than a majority vote to accept an offer for the sale of the Property, each Unit Owner shall be bound to execute such deeds and other documents reasonably required to effect such sale at such times and in such form as the Board of Directors directs. In such event, any action for partition or other division of the Property shall be held in abeyance pending such sale, and upon the consummation thereof shall be discontinued by all parties thereto.

(d) The members of the Board of Directors acting collectively as agent for all Unit Owners shall continue to have such powers as are granted in this Article notwithstanding the fact that the Association itself may be dissolved upon termination.

ARTICLE 11. MISCELLANEOUS.

Section A. Notices. All notices, demands, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered pursuant to Section 55-79.75, Code of Virginia, 1950, as amended, or otherwise as the Condominium Act may permit; (a) if to a Unit Owner, at the address which Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at

the address of the Unit of such Unit Owner; or (b) if to the 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 more than one person, each person who so designates an address in writing to the Secretary shall be entitled to receive all notice hereunder.

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

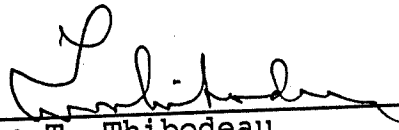
Section C. Gender, Singular/Plural. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

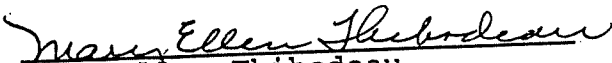
IN WITNESS WHEREOF, the foregoing Bylaws have been adopted as the Bylaws of L & M Warehouses Unit Owners Association, Inc. at the organizational meeting of its Board of Directors held this 6th day of November, 1987.

L & M WAREHOUSES UNIT
OWNERS ASSOCIATION, INC.

By: _____

SEEN AND APPROVED:


Leo T. Thibodeau


Mary Ellen Thibodeau

JUDYS C
BYLAWS.L&M

State of Virginia
County of Fairfax, to-wit:

The foregoing Bylaws were acknowledged before me this
6th day of November, 1987 Leo T. Thibodeau and Mary Ellen
Thibodeau.


NOTARY PUBLIC

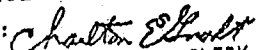
My commission expires:

10/26/90

RECORDED W/CERTIFICATE ANNEXED

87 DEC -7 PM 12: 21

PRINCE WILLIAM CO., VA.

TESTE: 
CLERK