

# **By-Laws**

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**BY-LAWS**

**OF**

**CHELSEA WOODS COURTS CONDOMINIUM**

4520 603

EXHIBIT C

CHELSEA WOODS COURTS CONDOMINIUM

BY-LAWS

ARTICLE I

PLAN OF UNIT OWNERSHIP

1. Condominium Submission. The Condominium Project known as "Chelsea Woods Courts Condominium" (the "Condominium") located in Prince George's County, Maryland, has been declared and reconstituted a Condominium Regime by that Second Amended Master Deed recorded in Land Records of Prince George's County simultaneously herewith. These By-Laws are appended to said Second Amended Master Deed as Exhibit B, and intended as a part of said Master Deed. The words and phrases herein, if defined in the Second Amended Master Deed, shall have the meanings therein assigned.

2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium, and the use, occupancy, sale, lease or other transfer thereof. All present and future owners of any freehold or leasehold interest in the units, all occupants or users of any portion of the Condominium, and the agents and servants of any of them are subject to the provisions of the Second Amended Master Deed, these By-Laws, the rules and regulations of the Condominium, and the applicable laws of the State of Maryland.

3. Personal Application. All present and future unit owners (as defined in the Second Amended Master Deed), tenants, future tenants, their guests, licensees, servants, agents, employees and any other person or persons who shall be permitted to use the facilities of the Condominium, shall be subject to these By-Laws and to the rules and regulations of the Condominium. Acquisition, rental, or occupancy of any of the units in the Condominium shall constitute an acknowledgment that such unit owner, tenant or occupant has accepted and ratified these By-Laws, the provisions of the Second Amended Master Deed and the rules and regulations and will comply with them.

4. Office. The office of the Condominium and of the Board of Directors of the Council of Unit Owners shall be located at the Condominium or at such other place as may be designated from time to time by said Board of Directors.

## ARTICLE II

### COUNCIL OF UNIT OWNERS

1. Composition. All of the unit owners, acting as a group in accordance with the Condominium Act, the Second Amended Master Deed and these By-Laws, shall constitute the "Council of Unit Owners," (hereinafter referred to as the "Council"). The Council shall be an unincorporated association which shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the contributions to the Common Expenses, arranging for the management of the Condominium, and performing all of the acts that may be required to be performed by the Council by the Condominium Act and the Second Amended Master Deed. Except as to those matters which the Condominium Act specifically requires to be performed by the vote of the unit owners, the administration of the Condominium shall be performed by the Board of Directors (as more particularly set forth in Article III), unless delegated to the Managing Agent.

2. Voting. Voting at all meetings of the Council shall be on the basis of the votes appertaining to each unit; the vote to which each unit owner is entitled shall be the vote assigned to his unit in the Second Amended Master Deed. Where the ownership of a unit is in more than one person, then the person who shall be entitled to cast the vote of that unit shall be the person named in a certificate signed by all of the owners of the unit and filed with the Secretary. Such certificate shall be valid until revoked by a subsequent certificate. Wherever the approval or disapproval of a unit owner is required by the Condominium Act, the Second Amended Master Deed or these By-Laws, such approval or disapproval shall only be made by the person who would be entitled to cast the vote for the owners of such unit at any meeting of the Council. Except where a greater number is required by the Condominium Act, the Second Amended Master Deed or these By-Laws, a majority of the votes held by unit owners present (in person or by proxy) at any meeting is required to adopt decisions at any meeting of the Council. If the Developer owns or holds title to one or more units, the Developer shall have the right at any meeting of the Council to cast the votes to which such unit is entitled. The Secretary or, in his absence or inability to act, an assistant secretary or other person designated for this purpose by the President, shall count all votes cast on any matter voted upon at a meeting of the Council.



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

4. Annual Meetings; Special Meetings Upon Conveyance of Units.

(a) The first meeting of the Council shall be held on the first weekday occurring six months after the date the Second Amended Master Deed is recorded. Thereafter, annual meetings of the Council shall be held on the 15th day of December of each year (or the next succeeding weekday if the 15th day of December of any year is a Saturday, Sunday or holiday); provided, that if the first meeting as above provided is held after October 1st of any year, the next meeting shall not be held until December 15th of the following year. At applicable annual meetings the Board of Directors shall be elected by ballot of the unit owners in accordance with the requirements of Section 4 of Article III of these By-Laws. The Council may transact such other business at such meetings as may properly come before them.

(b) Promptly upon the happening of the earliest to occur of (i) sale and conveyance by the Developer of 150 units (including units which may be created on Additional Parcels [as that term is defined in the Second Amended Master Deed], or (ii) thirty-six (36) months from the date the Second Amended Master Deed is recorded, or (iii) such earlier date as the Developer determines in its sole discretion, the Developer shall notify all unit owners of such fact, and a special meeting of the Council shall be held within 30 days thereafter on a call issued by the President. At such meeting the persons designated by the Developer shall resign as members of the Board of Directors, and all of the unit owners, including the Developer if the Developer owns any unit or units, shall elect a new Board of Directors to act in the place and stead of those resigning in accordance with Section 4 of Article III of these By-Laws.

5. Special Meetings. It shall be the duty of the President to call a special meeting of the Council if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by unit owners having votes totalling not less than 30% of the total number of votes in the Council. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

6. Notice of Meeting. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of unit owners, at least fifteen (15) but not more than thirty (30) days prior to such meeting, stating the purpose thereof, as well

as the time and place where it is to be held, to each unit owner of record, at such address as each unit owner shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this section shall be considered service of notice.

7. Voting Requirements. No unit owner shall be deemed to be in "good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Council (and no such unit owner shall be entitled to vote at any such meeting) if the Council or their agent has recorded a statement of condominium lien on such unit owner's unit and the amount necessary to release that lien, including all interest, costs, attorney's fees, penalties and other expenses, if any, properly chargeable to him and against his unit, has not been paid prior to the date fixed for such annual or special meeting.

8. Proxies. At all meetings of the Council each unit owner having the right to vote shall be entitled to vote in person, or by proxy appointed by an instrument in writing subscribed by such unit owner for such meeting. No proxy shall be valid for a period of more than 180 days after the date on which it is granted, except that a proxy granted to a mortgagee of a unit may be valid so long as the indebtedness secured by the mortgage is outstanding and unpaid and a proxy granted to a lessee of a unit may be valid during the term of the lease. Proxies must be filed with the Secretary at least two (2) days before the time appointed for each meeting in the notice. Proxies may be revoked by written notice of revocation filed with the Secretary. A unit owner may appoint any other unit owner, the Developer, the Managing Agent, his lessee or his mortgagee, as his proxy. In no case may any unit owner except the Developer or its designee cast more than one vote by proxy in addition to his own vote.

9. Quorum. Except as may otherwise be provided herein or by statute, a majority of the unit owner shall constitute a quorum for the adoption of decisions. If, however, such quorum shall not be present or represented at any meeting, the unit owners entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called. As used in these By-Laws, the term "majority of the unit owners" shall mean unit owners who are entitled to cast more than 50% of the votes appertaining to all of the units in the Condominium.

10. Order of Business. The order of business at all meetings of the Council shall be as follows: (a) roll call; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report

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of Board of Directors; (f) reports of committees; (g) election of inspectors of election, if applicable; (h) election of directors, if applicable; (i) unfinished business; and (j) new business.

11. Conduct of Meeting. The President shall preside over all meetings of the Council and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. Roberts Rules of Order shall govern the conduct of all meetings of the Council when not in conflict with the Second Amended Master Deed, these By-Laws or the Condominium Act.

12. Roster of Unit Owners. The Council shall maintain a current roster containing the names and addresses of all unit owners. Each unit owner shall, within 20 days after acquiring title to his unit, furnish the Secretary with his name and current mailing address.

13. Mailing Address. The mailing address of the Council of Unit Owners shall be 8405 Greenbelt Road, Greenbelt, Maryland 20770.

### ARTICLE III

#### BOARD OF DIRECTORS

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

(a) Preparation and adoption of an annual budget, in which there shall be established the contribution of each unit owner to the Common Expenses.

(b) Making assessments against unit owners to defray the costs and expenses of the Condominium, establishing the means and

methods of collecting such assessments from the unit owners, and establishing 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 said month.

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

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

(e) Collecting the assessments against the unit owners, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of the Condominium.

(f) Making and amending Rules and Regulations respecting the use of the Condominium.

(g) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.

(h) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Condominium and repairs to, and restoration of, the Condominium, in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of a taking in condemnation or eminent domain proceedings.

(i) Enforcing by legal means the provisions of the Second Amended Master Deed, these By-Laws and the Rules and Regulations for the use of the Condominium adopted by it, and bringing any proceedings which may be instituted on behalf of the Council of Unit Owners.

(j) Obtaining and carrying insurance against casualties and liabilities, as provided in Article VI of these By-Laws, and paying the premium cost thereof.

(k) Paying the cost of all services rendered to the Condominium and not billed to unit owners of individual units.

(l) Keeping books with detailed accounts of the receipts and expenditures affecting the Condominium, and the administration of the Condominium, specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the unit owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board of Directors for the general knowledge of the unit owners. All books and records shall be kept in accordance with generally accepted accounting practices, and the same shall be audited at least once a year by an outside auditor employed by the Board of Directors who shall not be a resident of the Condominium, or a unit owner therein. The cost of such audit shall be a Common Expense. A copy of the annual audit report shall be supplied to any first mortgagee of any unit in the Condominium who requests the same in writing from the Secretary.

(m) Notifying the mortgagee of any unit of any default by a unit owner as provided in Article XI hercof.

(n) Changing from time to time or at any time the resident agent of the Condominium.

(o) To do such other things and acts not inconsistent with the Condominium Act and with the Second Amended Master Deed which it may be authorized to do by a resolution of the Council.

2. Managing Agent. The Board of Directors shall employ for the Condominium a professional Managing Agent at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in paragraphs (a), (c), (d), (e), (h), (j), (k), (l), (m), and (o) of Section 1 of this Article III. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these By-Laws other than the powers set forth in paragraphs (b), (f), (g), (i) and (n) of Section 1 of this Article III. The first Managing Agent shall be selected by the Developer on behalf of the Condominium. However, at any time within the three-year period immediately following the date on which a majority of the units in the Condominium, or if the Condominium theretofore has been expended pursuant to Article V of the Declaration, then within the three-year period immediately following the date in which a majority of the units in the Condominium as expended have initially been conveyed by the Developer, the Council of Unit Owners, by a majority vote, may terminate (without liability for termination) the management contract with the first Managing Agent which termination shall be effective 30 days after the date of notice of termination. In the event of such termination, or termination by lapse of time

without renewal, the Board of Directors shall employ another professional Managing Agent, which agent shall be subject to the approval of the mortgagee or mortgagees holding mortgages on not less than 51% of the units encumbered by mortgages. It is the intention of this Section 2 that the Condominium shall be managed at all times by a qualified professional Managing Agent.

3. Number of Directors and Initial Selection of Board. Until the election of the Board of Directors takes place at the special meeting of the Council, as provided in Section 4(b) of Article II, the Board of Directors shall consist of such persons as shall be designated by the Developer from time to time. The Board of Directors shall be composed of five persons, all of whom shall be either designees of the Developer, unit owners or spouses of unit owners, or mortgagees (or designees of mortgagees) of units. The Developer shall have the right in its sole discretion to replace such Directors as may be so selected and designated by it, and to select and designate their successors.

4. Election and Term of Office. At the special meeting of the Council held pursuant to Section 4(b) of Article II five (5) directors shall be elected. The term of office of three (3) directors shall be fixed to expire on the date of the second annual meeting held after such special meeting and the term of office of two (2) directors shall be fixed to expire on the date of the first annual meeting held after such special meeting. At the expiration of the initial term of office of each respective director, each successor shall be elected at subsequent annual meetings of the Council to serve a term of two (2) years. The directors shall hold office until their respective successors have been elected and hold their first meeting.

5. Organization Meeting. The first meeting of the members of the Board of Directors following the annual meeting of the Council shall be held within ten (10) days after the annual meeting (and in the case of the Board of Directors elected at the special meeting of the Council called pursuant to Section 4(b) of Article II, within ten (10) days of the date of that meeting) at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present therein.

6. Regular Meeting. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two (2) such meetings shall be held during each fiscal year after the special meeting of the Council called pursuant to Section 4(b) of Article II. Notice of regular meetings of the Board of Directors shall be given to each director, personally or

by mail, telephone or telegraph, at least three (3) business days prior to the day named for such meeting.

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

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

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

10. Vacancies. Vacancies in the Board of Directors caused by any reason other than removal of a director by a vote of the Council shall be filled by vote of the majority of the remaining directors, at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the directors present at such meeting may constitute less than a quorum of the Board; and each person so elected shall be a director for the remainder of the term of the director so removed and until a successor is elected at the next annual meeting of the Council; provided, however, that the vacancy of any director designated by the Developer pursuant to a right of the Developer to make such designation shall be filled by the Developer.

11. Removal of Directors. A director may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Council at which a quorum is present, by an affirmative vote of a majority of the votes represented and voting. Any director whose removal has

been proposed by the unit owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Notwithstanding anything in this Section to the contrary, prior to the special meeting of the Council called pursuant to Section 4(b) of Article II, no person selected and designated by the Developer as a member of the Board of Directors may be removed without the consent of the Developer and in such event the Developer shall select and designate his successor.

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

13. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a Minute Book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Roberts Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Second Amended Master Deed, these By-Laws or the Condominium Act.

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

15. Fidelity Bonds. The Board of Directors shall require that all officers, agents (including the Managing Agent) and employees of the Council handling or responsible for funds furnish adequate fidelity bonds. The premiums on such bonds shall constitute a Common Expense.

16. Dispensing with Vote. 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. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

17. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the unit owners or to any unit owner for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Council shall indemnify and hold harmless each of the directors from and against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Council unless any such contract shall have been made in bad faith or contrary to the provisions of the Second



Amended Master Dred or of these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Council. It is also intended that the liability of any unit owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to such proportion of the total liability thereunder as the Percentage Interest of his unit bears to the Percentage Interests of all of the units. Every agreement made by the Board of Directors or by the Managing Agent on behalf of the Council shall, if obtainable, provide that the members of the Board of Directors or the Managing Agent, as the case may be, are acting only as agents for the Council and shall have no personal liability thereunder (except as unit owners), and that each unit owner's liability thereunder shall be limited to such proportion of the total liability thereunder as the Percentage Interest of his unit bears to the Percentage Interests of all units. The Council shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was a Director, or officer, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to the best interests of the Council and/or the unit owners.

#### ARTICLE IV

##### OFFICERS

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

2. Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board. Any vacancy in an office shall be filled by the Board at a regular meeting or special meeting called for such purpose.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole Board.

4. President. The President shall be the chief executive officer; he shall preside at meetings of the Council and the Board of Directors and shall be an ex-officio member of all committees; he shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall perform all other acts required by the Second Amended Master Deed, these By-Laws or the Condominium Act to be performed by the President. He shall have all of the general powers and duties which are usually vested in or incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of Maryland.

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

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

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

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

8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium for expenditures or obligations of over \$1,000 shall be executed by any two officers of the Condominium or by any one officer and such other person as may be designated by the Board of Directors. All such instruments for expenditures or obligations of less than \$1,000 may be executed by any one officer of the Condominium or by such other person as may be designated by the Board of Directors.

9. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

#### ARTICLE V

##### OPERATION OF THE PROPERTY

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

(a) Fiscal Year. The fiscal year of the Condominium shall consist of the twelve-month period commencing on January 1 of each year and terminating on December 31 of the same year, except that the first fiscal year shall begin at the date of organization and terminate on December 31. The fiscal year herein established shall be subject to change by the Board of Directors should corporate practice subsequently dictate.

(b) Preparation and Approval of Budget. Each year at least 30 days prior to the beginning of a new fiscal year the Board of Directors shall adopt a budget for the Condominium for such new fiscal year containing an estimate of the total amount which it considers necessary to pay the cost of administration, care, upkeep, maintenance, management, operation, repair and replacement of the Common Elements and those parts of the units as to which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Second Amended Master Deed, these By-Laws or a resolution of the Council, 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. The Common Expenses shall include the Condominium's share of certain costs and expenses relating to recreational facilities, heating facilities and utilities which serve the entire Condominium, as more fully set forth in that certain "Deed and Agreement to Establish Easements in Common," dated this even date, and to be recorded in the Land Records of Prince George's County immediately after the recordation hereof. Such budget shall also include such reasonable reserves as the Board of Directors considers necessary to provide working capital for the Condominium, a general operating reserve, and reserves for contingencies and replacements. The Board of Directors shall make reasonable efforts to send to each unit owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the Common Expenses payable by each unit owner, at least fifteen days in advance of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each unit owner's contribution for the Common Expenses of the Condominium.

(c) Assessment and Payment of Common Expenses.

The total amount of the estimated funds required for the operation of the Condominium set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each unit owner in the proportion to the respective Percentage Interest of his unit bears to the Percentage Interests of all units. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each unit owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors), one-twelfth (1/12th) of the assessment for such fiscal year made pursuant to the foregoing provisions. Within sixty (60) days after the end of each fiscal year, the Board of Directors shall supply to all unit owners an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. If the Board of Directors deems it advisable, the assessment made against each unit owner for each fiscal year shall set forth separately each unit owner's share of the amount of the total assessment allocated to normal and recurring expenses of administration, management, operation and repair and the amount of the total assessment allocated to each category of reserves included in the budget. Any amount accumulated in excess of the amount required for actual expenses and reserves and any Common Profits shall, in the discretion of the Board of Directors, either be refunded to the unit owners in accordance with each unit owner's Percentage Interest, or be credited according to each unit'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, if the Board of Directors deems it advisable, be added according to each unit's Percentage Interest to the next installment due from Unit Owners after the rendering of the accounting.

(d) Reserves. The Board of Directors shall build up and maintain an adequate reserve for working capital and contingencies, and an adequate reserve for replacement of the Common Elements, which shall be funded by regular monthly payments, as provided for in subsection (c). All funds accumulated for reserves shall be kept in a separate bank account, segregated from the general operating funds, and, if the Board of Directors deems it advisable, funds accumulated for each type of reserve shall be kept in a separate bank account, identified by reference to the specific category of reserve. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except where an emergency requires an expenditure to prevent or minimize loss from further damage to, or deterioration of, the Common Elements, reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Council. If for any reason, including non-payment of any unit owner's assessment, the reserves are inadequate, the Board of Directors may at any time levy a further assessment, which shall be assessed against the unit owners according to the respective Percentage Interests of their units, and which may be payable into such reserve fund in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all unit owners by a statement in writing giving the amount and reasons therefor, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All unit owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the amount of such assessments.

(e) Initial Budget. When the first Board of Directors takes office, it shall determine the budget, as defined in this section, for the period commencing upon the conveyance of legal title to the first unit by the Developer and ending on the last day of the fiscal year in which they are designated. Assessments shall be levied against the unit owners during said period as provided in paragraph (c) of this Section. The Board of directors may establish an initial working capital fund through special assessment of each unit owner upon purchase of his unit from the Developer.

(f) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of a unit owner's obligation to pay his allocable share of the Common Expense as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each unit owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until the monthly payment which is due more than ten (10) days after such new annual or adjusted budget shall have been mailed or delivered.

(g) Accounts. Except for sums collected for reserves as set forth in subsection (d) of this Section 1, all sums collected by the Board of Directors with respect to assessments against the unit owners may be commingled into a single fund, but shall be held for each unit owner in accordance with the Percentage Interest of his unit.

2. Payment of Common Expenses. All unit owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V. No unit owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use of enjoyment of any of the Common Elements or by abandonment of his unit. No unit owner shall be liable for the payment of any part of the Common Expenses assessed against his unit subsequent to a sale, transfer or other conveyance by him of such unit. The purchaser of a unit shall be jointly and severally liable with the selling unit owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses attributable to the unit up to the time of the conveyance of the unit to the purchaser for which a statement of condominium lien has been recorded, without prejudice to the purchaser's right to recover from the selling unit owner the amounts paid by the purchaser therefor. If a mortgagee of a first mortgage of record or other purchaser of a unit obtains title to the unit as a result of foreclosure of a first mortgage, or through the enforcement of any other remedies provided for in the mortgage, or by virtue of a deed of assignment in lieu of foreclosure such mortgagee or purchaser, its successors and assigns shall not be liable for, and such unit shall not be subject to, a lien for the payment of Common Expenses assessed prior to the acquisition of title to such unit by such mortgagee or purchaser pursuant to the foreclosure sale. Such unpaid share of Common Expenses assessed prior to the acquisition of title to such unit by such mortgagee or purchaser pursuant to the foreclosure sale shall be collectible from all unit owners, including the purchaser at such foreclosure sale, in proportion to their units' respective Percentage Interests.

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3. Collection of Assessments. The Board of Directors shall take prompt action to collect any assessments for Common Expenses due from any unit owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. In addition, all unpaid assessments due from any unit owner, together with interest thereon and the actual costs of collection, shall be secured by a lien on the unit as provided in Section 2 of Article XIII of these By-Laws and the Condominium Act, which lien shall be subordinate only to the lien of the holder of the first mortgage on the unit or as otherwise provided by law.

4. Statement of Common Expenses. The Board of Directors shall promptly provide any unit owner so requesting the same in writing, with a written statement of all unpaid assessments for Common Expenses due from such unit owner.

5. Maintenance and Repair.

(a) By the Board of Directors. The Board of Directors shall be responsible for the administration, care, upkeep, maintenance, repair and replacement (unless necessitated by the negligence, misuse or neglect of a unit owner, or of a person gaining access with said unit owner's actual or implied consent, in which case such expense shall be charged to such unit owner), of the following, the cost of which shall be charged to all unit owners as a Common Expense:

(1) Except as otherwise provided in Section 5(b) below, all of the Common Elements, whether located inside or outside of the units.

(2) All exterior walls and exterior surfaces (including the maintenance and painting of the exterior surface of the front door of each unit of any building; the roof, party walls and any other portions of the units which contribute to the support of any building, such as the outside walls of such building and all fixtures on the exterior thereof, the boundary walls of units, floor slabs, and load-bearing columns; but excluding, however, the interior surfaces of all walls, floors and ceilings of the units.

(3) The sanitary and storm sewer systems and appurtenances; all water, electric, plumbing and telephone lines, facilities and systems that are deemed Common Elements, including all conduits, ducts, plumbing, wiring and other facilities for the furnishing of all utility services into two or more units, but excluding therefrom all plumbing, heating and electrical appliances, fixtures, systems and parts thereof which are enjoyed by only a single unit and are located solely within the boundaries of an individual unit; and all roof drainage pipes, gutters and leaders.

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(4) The maintenance and repair of any and all fences and retaining walls which are General Common Elements.

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

(b) By the Unit Owner. Except for the portions of his unit required to be maintained, repaired and replaced by the Board of Directors, each unit owner shall be responsible for the maintenance, repair and replacement, at his own expense, of the following: any interior walls, interior surface of ceiling and floors; kitchen and bathroom fixtures and equipment, including refrigerator, oven, range, disposal; the fireplace, including the mantel and damper; and those parts of the heating and air conditioning, plumbing and electrical systems which are wholly contained within his unit and no other, including the "air handling unit" located within the mechanical room of the unit. Each unit owner shall be responsible for performing the normal maintenance for any balcony, terrace or sun den which is appurtenant to his unit, including keeping it in a clean and sanitary condition, and shall make, at his own expense, all repairs thereto caused or permitted by his negligence, misuse or neglect. Each unit owner shall perform all maintenance and make all repairs and replacements to the windows, doors (but not the painting of the exterior surface of the front door of his unit) and the sliding glass doors appurtenant to his unit. Each unit owner shall keep the interior of his unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redeteriorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his unit. In addition, each unit owner shall be responsible for all damage to any and all other units or to the Common Elements resulting from his failure to make any of the repairs required to be made by him by this section. Each unit owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other unit owners. Each unit owner shall promptly report to the Board of Directors, or the Managing Agent any defects or need for repairs for which the Board of Directors is responsible, and shall promptly notify the Board of Directors of all damage to his unit if such damage exceeds \$1,000.

(c) Notwithstanding the provisions of Section 5(b), in order to maintain uniformity of appearance, the actual painting of all fences which are Limited Common Elements and enclose yard areas adjacent to terraces of ground-level units will be under the sole supervision and control of the Board of Directors. The cost of said painting, however, may be assessed solely against the units to which said fences are appurtenant.

(d) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation upon the completion of rehabilitation provided by Developer, and shall be of first-class quality. The method of approving payment vouchers for all repairs and replacement shall be determined by the Board of Directors.



6. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the Common Elements shall require additions, alterations or improvements costing in excess of Five Thousand Dollars (\$5,000) during any period of twelve (12) consecutive months, and the making of such additions, alterations or improvements shall have been approved by a majority of the unit owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing Five Thousand Dollars (\$5,000) or less during any period of twelve (12) consecutive months may be made by the Board of Directors without approval of the unit owners and the cost thereof shall constitute part of the Common Expenses. Notwithstanding the foregoing, if, in the opinion of not less than 80% of the members of the Board of Directors, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of the unit owner or unit owners requesting the same, such requesting unit 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.

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

8. Alterations Between Units. If any unit owner is the owner of two or more adjoining units, then such unit owner,

subject to the provisions of Section 7 above, shall have the right to remove all or any part of any intervening partition or to create doorways or other apertures therein, notwithstanding the fact that such partition may in whole or in part be a Common Element, so long as no portion of any bearing wall or bearing column is weakened or removed, and no portion of any Common Element other than that partition is damaged, destroyed or endangered. The removal of any such partition shall not effect, or be deemed to effect, the relocation of the legal boundaries between the units, the reallocation of the Percentage Interests of said units, the amendment of the Second Amended Master Deed and the Plat of Condominium Subdivision, or the merger of said units.

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

(a) No unit owner or other resident of the Condominium shall post any advertisements or posters of any kind in or on the Property except as authorized by the Board. This restriction shall not apply to advertisements, signs or posters utilized by the Developer, or its agents, in selling the units, or to the institutional holder of any first mortgage which comes into possession of any unit by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure sale or other sale or other proceeding, arrangement, assignment or deed in lieu of foreclosure.

(b) All units shall be used only for private residential purposes, except that a unit may be used as a professional office upon the written consent of the Board of Directors provided that such use is consistent with all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction with respect to the Condominium, and, provided further, that each such unit owner agrees to pay and pays any increase in the rate of insurance for the Condominium, and, provided further, that each such unit owner agrees to pay and pays any increase in the rate of insurance for the Condominium which results from such professional use. Notwithstanding the foregoing, a unit owner may use a portion of his unit for an office or studio for his personal use provided that the activities therein shall not interfere with the quiet enjoyment or comfort of any other unit owner, and provided further that in no event shall any part of the Condominium be used as a

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school or music studio. Nothing in this paragraph, or elsewhere in these By-Laws, shall, however, be so construed as to prevent the Developer from using any units which Developer owns for promotion, marketing or display purposes as model apartments or sales offices, or from leasing any units which Developer owns, or from any activities in connection with the rehabilitation of the Condominium.

(c) No clothing, laundry, rugs or wash shall be hung from or spread upon or from any window or exterior portion of a unit or in or upon any Common Element. All refuse and trash shall be placed only in designated receptacles and no garbage or trash shall be placed on the floor of any trash room or be permitted to remain in public view.

(d) No animal, other than small common household pets, shall be kept or maintained on the Condominium, nor shall common household pets be kept, bred or maintained for commercial purposes on the Condominium. Pets shall not be permitted outside of units unless they are accompanied by an adult person and carried or leashed. Any unit owner who keeps or maintains any pet in the Condominium shall be responsible and may be assessed by the Board of Directors for any costs incurred by the Condominium in enforcing the Rules and Regulations prescribed or to be prescribed by the Board of Directors for the control and regulation of pets in the Condominium.

(e) Unit owners, residents and lessees shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, television and amplifiers that may disturb other unit owners.

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

(g) No unit owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, air conditioning unit or other machine or equipment, which protrudes through the walls or the roof of any building or is otherwise visible on the exterior of any building except as presently installed or as authorized by the Board.

(h) No unit or Common Elements of the Condominium may be used for any unlawful, immoral or improper purpose. All laws, orders, rules, regulations and requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Condominium, shall be complied with by, and at the sole expense of, the unit owner or the Board of Directors, whichever shall have the obligation to maintain or repair such portion

of the Condominium. The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the units.

(i) Nothing shall be done in any unit or in, on or to the Common Elements which will impair the structural integrity of any part of the Condominium, or which would structurally change any building or improvements thereon except as provided in the By-Laws. Nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board of Directors.

(j) A unit owner shall not place or cause to be placed in the hallways, stairways, walkway, driveways, parking areas or other Common Elements any bicycles, furniture, packages or objects of any kind. The hallways, stairways, walkways and driveways shall be used for no purpose other than for normal transit through them.

(k) Except for the rights reserved to the Developer in these By-Laws, except for professional use permitted by the Board of Directors, and except for the limited office or studio use permitted by subsection 9(b) of this Article V, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, pleasure, exploration, or otherwise, shall be conducted, maintained or permitted on any part of the Condominium.

(l) No unit owner, resident or lessee shall direct or engage any employee of the Condominium on any private business of such unit owner, resident or lessee, nor shall he direct, supervise or in any manner attempt to assert control over any such employee.

(m) No portion of a unit (other than the entire unit) may be rented, and no transient tenants may be accommodated therein.

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

10. Right of Access. A unit owner shall grant a right of access to his unit to the Board of Directors or the Managing Agent, or to any other person authorized by the Board for the purpose of making inspections or for the purpose of correcting any condition originating in his unit and threatening another

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

11. Rules and Regulations. Rules and Regulations concerning the operation and use of the Common Elements may be promulgated and amended by the Board of Directors, provided that such Rules and Regulations are not contrary to or inconsistent with the Condominium Act, the Second Amended Master Deed or these By-Laws. Copies of the Rules and Regulations and all amendments thereto shall be furnished by the Board of Directors to each unit owner prior to the time when the same shall become effective, and to each mortgagee of a unit in the Condominium as they become effective. Initial Rules and Regulations, which shall be effective until amended by the Board of Directors, are annexed hereto and made a part hereof as Exhibit A of these By-Laws.

12. Electricity, Water Charges and Sewer Rents. Electricity, gas, water and sewer shall be supplied by the public utility companies serving the area. Electricity, gas, water and sewer charges will not be separately metered for each Unit, but the Board of Directors shall pay all bills for electricity, gas, water and sewer, and front foot benefit charges for the entire Condominium as a Common Expense. Reference is made to that certain Agreement attached hereto as Exhibit F, between the Developer and certain parties trading as Second Brae Brook Village Associates, the owner of property adjacent to the Condominium. The Condominium and the adjacent property are both serviced by one common sewer house connection and one common water house connection located on the adjacent property, and water and sewer charges covering both tracts are initially billed to and payable by the owner of the adjacent property. Said Agreement provides, as more fully set forth therein, that the Developer will reimburse the owner of the adjacent property for the Developer's share of such charges, and will guarantee said reimbursement by obtaining a \$10,000 letter of credit or by escrowing \$10,000 of reserve funds. The Condominium's pro rata share of said water and sewer charges is hereby made a Common Expense, as are the Condominiums' pro rata share of the expenses in connection with establishing and/or maintaining any letter of credit, corporate surety bond, or escrow fund guaranteeing reimbursement of common sewer and water charges.

13. Parking Spaces. All parking spaces shall be used by the unit owners for self-service parking purposes on a first-come, first-served basis. The cost of maintenance and repair of all parking areas shall be a Common Expense.

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ARTICLE VI

INSURANCE

1. Authority. Except as otherwise provided in Section 4 of this Article, all insurance policies relating to the Condominium shall be purchased by the Board of Directors for the benefit of the unit owners of the units and their respective mortgagees, as their interests may appear, which insurance shall be governed by the following provisions to the extent obtainable or possible:

(a) The Board shall be required to make every effort to obtain a single master policy covering physical damage for the entire Condominium under which the insurance company will issue to each unit owner a certificate or subpolicy specifying the portion of the master policy allocated to each unit owner's unit.

(b) The master policy shall contain a standard mortgagee clause in favor of each mortgagee of a unit to the extent of the portion of the coverage of the master policy allocated to such unit, which shall provide that the loss, if any, thereunder shall be payable to such mortgagee and the unit owner, as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee contained in Sections 5 and 6 of this Article.

(c) The net proceeds from insurance against physical damage shall be payable to the Board of Directors if less than \$25,000 and if more than \$25,000 shall be payable to the Insurance Trustee designated in Section 5 of this Article. A duplicate original of the master policy, all renewals thereof, and all sub-policies or certificates issued thereunder, together with proof of payment of premiums, shall be delivered to all mortgagees of units at least 10 days prior to the expiration of the then current policies.

2. Coverage. The Condominium shall be insured, to the extent available, against casualty in a minimum amount equal to the maximum insurable replacement value (i.e., 100% of replacement value of the insurable portions of the Condominium, without deduction for depreciation) as determined annually by the Board with assistance of the insurance company affording such coverage. The policy shall cover all the improvements on the Condominium except those made by a unit owner at his expense and shall contain a "condominium replacement cost" endorsement. To the extent obtainable, such coverage shall afford protection against:

(1) Loss or damage by fire, vandalism, malicious mischief, windstorm, water damage, flood damage, boiler and machinery explosion, and other hazards covered by the standard extended coverage endorsement; and

(ii) such other risks as shall customarily be covered with respect to projects similar in construction, location and use.

Such coverage shall insure all of the buildings (including all of the units and the floor coverings, bathroom and kitchen fixtures initially furnished or installed thereon by Developer, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by unit owners) and other Condominium property including all personal property included in the Common Elements. The Board of Directors shall also obtain and maintain, to the extent obtainable, public liability and property damage insurance in such limits as the Board may from time to time determine, insuring the Council, each member of the Board of Directors, the Managing Agent, and each unit owner 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 Condominium, or any portion thereof, other than individual units. All liability insurance shall be issued on a comprehensive liability basis and shall contain 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. The Board shall review such limits once each year, but in no event shall such insurance be less than \$1,000,000 with respect to any one accident or occurrence and \$50,000 with respect to any claim for property damage. It shall be the responsibility of each unit owner to obtain, at his own expense, liability insurance with respect to his ownership and/or use of his unit, and the Board shall not be responsible for obtaining such insurance. Workmen's Compensation Insurance shall be obtained where necessary to meet the requirements of law. In addition to the foregoing, the Board of Directors may obtain such additional insurance coverage as it may in its sole discretion deem advisable and appropriate.

3. Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions to the extent obtainable or possible:

(a) All policies shall be written with a company or companies licensed to do business in the State of Maryland and holding a rating of "AAA" or better in Best's Insurance Guide.

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

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

(d) All policies of casualty insurance shall provide that, notwithstanding any provisions thereof which give

the carrier the right to elect to restore or repair damage or reconstruct in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Board of Directors, when not in conflict with the provisions of these By-Laws or the provisions of the Condominium Act.

(e) All policies shall provide that until the expiration of thirty (30) days after the insurer gives notice in writing to the mortgagee of any unit, the mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the unit owner of such unit, the other unit owners, the Board of Directors, or any of their agents, employees or household members, nor cancelled for non-payment of premiums.

(f) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the unit owners, and members of their households, the Council, the Board, the Managing Agent, and their respective agents, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

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

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

No unit owner shall maintain insurance coverage which will tend to decrease the amount which the Council may realize



under any insurance policy which it may have in force at any particular time; the Board of Directors may require that each unit owner shall file with the Managing Agent a copy of each individual policy of insurance purchased by the unit owner within thirty (30) days after its purchase; the Board may also require that each unit owner shall notify the Council of all improvements made by him to his unit having a value in excess of \$1,000.

5. Insurance Trustee.

(a) The Board of Directors shall have the right to designate a bank, trust company or other institutional lender doing business in the metropolitan Washington, D.C. area whose accounts or deposits are insured or guaranteed by an agency of the United States of America, as the Insurance Trustee, and all parties beneficially interested in such insurance coverage shall be bound thereby. The Insurance Trustee at the time of the deposit of such policies and endorsements shall acknowledge that the policies and any proceeds thereof will be held in accordance with the terms of these By-Laws.

(b) The Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness of any amounts received by it on account of the proceeds of any insurance policies, nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to hold the same in trust for the purposes stated herein, for the benefit of the unit owners of the units and their respective mortgagees.

6. Board of Directors as Agent. The Board of Directors is hereby irrevocably appointed the agent for each unit owner of a unit and for each mortgagee of a unit and for each owner of any other interest in the Condominium to adjust all claims arising under insurance policies purchased by the Board of Directors and to execute and deliver releases upon the payment of claims.

7. Premiums. Premiums upon all insurance policies purchased by the Board of Directors, and all fees and expenses of the Insurance Trustee, shall be deemed to be a Common Expense.

ARTICLE VII

REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

1. When Repair and Reconstruction are Required. Subject to the provisions of Section 4 of this Article, in the event of damage to or destruction of all or any of the buildings as a result of fire or other casualty, the Board of Directors

shall arrange for and supervise the prompt repair and restoration of the buildings (including any damaged units, and the floor coverings, kitchen and bathroom fixtures, appliances and cabinets initially installed therein by the Developer or replacements thereof installed by unit owners, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by unit owners in the units). Notwithstanding the foregoing, each unit owner shall have the right to supervise the redecorating of his own unit.

2. Procedure for Reconstruction and Repair.

(a) Immediately after a fire or other casualty causing damage to any building, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the building (including any damaged units, and the floor coverings, kitchen and bathroom fixtures, appliances and cabinets initially installed therein by the Developer, and replacements thereof installed by the unit owners, but not including any other furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the unit owners in the units) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

(b) If the proceeds of insurance are not sufficient to defray the said estimated costs of reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments in sufficient amounts to provide payment of such costs shall be made against the unit owners who own the damaged units, and against all unit owners of all units in a damaged building in the case of damage to the Common Elements of a building, except that in the case of damage to Common Elements serving or affecting more than one building, the assessment shall be made against all unit owners of units in the buildings affected by such damage. The assessments against unit owners for damage to the units shall be in proportion to the cost of reconstruction and repair of their respective units, and the assessments on account of damage to Common Elements shall be in proportion to the respective Percentage Interests of the units in the buildings affected by damage to the Common Elements. Such assessments shall be treated for all purposes as assessments of Common Expenses, but shall not require approval of the Council, anything in these By-Laws to the contrary notwithstanding.

(c) Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications under which the Property was originally constructed

or rehabilitated, subject to the requirements of applicable law at the time of reconstruction or repair.

(d) Encroachments upon or in favor of units which may be created as a result of such reconstructions or repair shall not constitute a claim or basis for any proceeding or action by the unit owner upon whose property such encroachment exists, provided that such reconstruction is substantially in accordance with original plans and specifications under which the Condominium was originally constructed or rehabilitated. Such encroachments shall be allowed to continue in existence for so long as the building(s) (as reconstructed) shall stand.

### 3. Disbursements of Construction Funds.

(a) The net proceeds of insurance collected on account of a casualty and the funds collected by the Board of Directors from assessments against unit owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Section. If the net proceeds of insurance collected on account of a casualty exceed \$25,000, then the funds collected by the Board of Directors from assessments against the unit owners shall be deposited by the Board of Directors with the Insurance Trustees, and the entire construction fund shall be disbursed by the Insurance Trustee; otherwise the construction fund shall be held and disbursed by the Board of Directors.

(b) The construction fund shall be paid by the Board of Directors or the Insurance Trustee, as the case may be, in appropriate progress payments, to such contractors, suppliers and personnel engaged in performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board of Directors.

(c) 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 cost of the reconstruction and repair for which the fund is established, such balance shall be distributed to the unit owners and mortgagees of all units affected by such destruction in proportion to the respective Percentage Interests of their units; provided, however, that the part of a distribution to a unit owner which is not in excess of assessments paid by the unit owner into the construction fund shall not be made payable to any mortgagee.

(d) When the damage is to both Common Elements and units, the insurance proceeds shall be applied first to the

cost of repairing the Common Elements, and the balance of the cost of repairing the units.

(e) The Insurance Trustee shall be entitled to rely upon a certificate executed by the President or Vice President, and the Secretary, of the Condominium certifying (i) whether the damaged building is required to be constructed and repaired and, if such reconstruction and repair is not required, whether or not the unit owners voted in favor of such reconstruction and repair as provided in these By-Laws; (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund held by it or whether surplus funds to be distributed are less than the assessments paid by the unit owners; and (iii) all other matters concerning the holding and disbursing of any construction fund held by it. Any such certificate shall be delivered to the Insurance Trustee promptly after request.

4. When Reconstruction is not Required. If the Condominium shall be damaged by fire or other casualty and such damage is so extensive that the cost of repair and reconstruction exceeds two-thirds (2/3) of the replacement cost of the Condominium (exclusive of the value of the Land), the Condominium shall be subject to an action for partition at the suit of any unit owner or mortgagee or any unit, as if the Condominium were owned in common, in which event the net proceeds of sale, together with the net proceeds of any insurance policies procured by the Board of Directors pursuant to Article VI, if any, shall be divided by the Board of Directors or the Insurance Trustee, as the case may be, among all unit owners in proportion to the respective Percentage Interests of their units, after first paying out of the share of each unit owner, to the extent sufficient for this purpose, the amount of any unpaid liens on his unit, in the order of the priority of such liens. For purposes of this Section, the cost of repair and reconstruction of the damage caused by a fire or other casualty and the replacement cost of the Condominium shall be determined as promptly as possible after the occurrence of the fire or other casualty by an architect or engineer selected by the Board of Directors for those purposes.

#### ARTICLE VIII

##### CONDEMNATION

1. Definition. The terms "taking in condemnation" or "taking", as used in this Article, shall mean a taking in condemnation or by right of eminent domain and shall include any sale made in settlement of any pending or threatened condemnation proceeding.

2. When Repair and Reconstruction Required. Except as otherwise provided in section 3 of this Article VIII, in the event of a taking in condemnation of a part of the Condominium, the Board of Directors shall arrange for and supervise the prompt repair and restoration of the Property in the same manner as set forth in Article VII. The provisions of Sections 2 and 3 of Article VII shall apply to the repair and restoration of the Condominium in the same manner as if the Property had been damaged by fire or other casualty. The award made for the taking shall be payable to the Board of Directors, if such award amounts to \$25,000 or less, or to the Insurance Trustee, if such award amounts to more than \$25,000, and shall be disbursed in the same manner as insurance proceeds.

3. When Reconstruction is not Required. If (i) 75% or more of the units shall be rendered untenable by a taking, and (ii) 75% or more of the unit owners shall fail to vote in favor of reconstruction and repair at a meeting called within 90 days after the taking, then, with the approval in writing within such 90-day period by the mortgagee or mortgagees holding mortgages constituting first liens on 75% of the units subject to mortgages, the Condominium shall be subject to an action for partition at the suit of any unit owner or the mortgagee of any unit, as if the Condominium were owned in common, in which event the net proceeds of sale shall be added to the award and the total shall be considered as one fund which shall be distributed by the Board of Directors or the Insurance Trustee, as the case may be, among all unit owners in proportion to the respective Percentage Interests of their units, after first paying out of the share of each unit owner, to the extent sufficient for this purpose, the amount of any unpaid liens on his unit, in the order of the priority of such liens.

4. Effect on Percentage Interests of Units. If there is a taking in condemnation of part of the Condominium, if the Condominium is restored pursuant to the provisions of Section 2 of this Article, and if as a result of the taking the condemnor is not obligated to pay assessments for Common Expenses attributable to the unit(s), or part(s) thereof, so taken, then, effective as of the date of the taking, the Percentage Interests of all units remaining after the taking shall be adjusted in the following manner:

(a) If the taking involves all of one or more units, the Percentage Interests of those units shall be reallocated among the remaining units not taken in proportion to the respective Percentage Interests of such units immediately prior to the taking.

(b) If the taking involves a part, but not all, of one or more units, (i) the Percentage Interest of each Unit

which is involved in the taking shall be reduced to a percentage which bears the same ratio to the Percentage Interest of the unit immediately prior to the taking as the ratio which the floor area of the unit immediately after the taking bears to the floor area of the unit immediately prior to the taking, and (ii) the aggregate reduction in the Percentage Interest(s) of the unit(s) referred to in clause (i) shall be reallocated among the remaining units not taken (including the unit(s) referred to in clause (i)) in proportion to the respective Percentage Interests of such units immediately prior to the taking, except that in the case of the unit(s) referred to in clause (i), the Percentage Interest used in this computation shall be the Percentage Interest of the unit adjusted in the manner provided in clause (i).

Promptly after the adjustments required by this Section have been determined, an amendment to the Second Amended Master Deed reflecting the adjustments shall be executed and acknowledged (in the manner required by law for the execution and acknowledgment of deeds) by the President and the Secretary and shall be recorded among the Land Records of Prince George's County.

#### ARTICLE IX

##### SALES, LEASES, AND ALIENATION OF UNITS

1. No Severance of Ownership. No unit owner shall execute any deed, lease, mortgage, or instrument conveying or mortgaging the title to his unit without including therein the undivided interest of such unit in the Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, lease, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the interests in the Common Elements of any unit may be sold, leased, transferred, given, devised, or otherwise disposed of, except as part of a sale, lease, transfer, gift, devise, or other disposition of the unit to which such interests are appurtenant, or as part of a sales, lease, transfer, gift, devise, or other disposition of such part of the interests in the Common Elements of all units.

2. Payment of Assessments. No unit owner shall be permitted to convey, mortgage, hypothecate, sell, lease, give, or devise his unit unless and until he (or his personal representative) shall have paid in full to the Board of Directors all unpaid Common Expenses theretofore assessed by the Board of Directors with respect to his unit and shall have satisfied all unpaid liens with respect to his unit, except mortgages.

ARTICLE X

## AMENDMENT TO BY-LAWS

1. Amendments. Except as otherwise provided in this Section, these By-laws may be modified or amended either (i) by a vote by the unit owners of at least seventy-five percent (75%) of the votes appertaining to all of the units, present in person or by proxy, at any regular or special meeting of the Council or (ii) pursuant to a written instrument duly executed by the unit owners having at least seventy-five percent (75%) of the votes appertaining to all of the units; provided, however, that (a) Section 4 of Article II, and Section 3 of Article III, insofar as they relate to the selection of members of the Board of Directors by the Developer, (b) Section 2 of Article II, insofar as it provides that the Developer, so long as it is the unit owner of one or more units, may vote the votes appurtenant thereto, and (c) this Section 1 of Article X, may not be amended without the consent in writing of the Developer, so long as the Developer shall be a unit owner. Furthermore, notwithstanding the foregoing, so long as the Developer is the unit owner of one or more units, no amendment to the By-Laws or Rules and Regulations may be adopted which could interfere with the construction, conversion, rehabilitation, display, sale, lease, or other disposition of such unit or units.

2. Recording. A modification or amendment of these By-Laws shall become effective only if such modification or amendment is recorded in the Office of the Clerk of the Circuit Court in and for Prince George's County, Maryland.

3. Conflicts. No modification or amendment of these By-Laws may be adopted which shall be inconsistent with the provisions of the Condominium Act. A modification or amendment once adopted and recorded as provided for herein shall then constitute part of the official By-Laws of the Condominium and all unit owners shall be bound to abide by such modification or amendment.

4. Approval of Mortgagees. These By-Laws contain provisions concerning various rights, priorities, remedies and interests of the mortgagees of units. Such provisions in these By-Laws are to be construed as covenants for the protection of the mortgagees on which they may rely in making loans secured by mortgages on the units. Accordingly, all mortgagees shall be given thirty (30) days notice of all proposed amendments, and no amendment or modification of these By-Laws impairing or affecting the rights, priorities, remedies or interests of a mortgagee (including the mortgagee's use of a secondary mortgage market, i.e., the saleability of mortgages to Mortgage Guaranty Insurance Corporation, Federal National Mortgage Corporation, Federal Home Loan Mortgage Corporation, etc.) shall be adopted without the prior written consent of such mortgagee. If there

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is more than one mortgagee holding mortgages on the units, it shall be sufficient for this purpose to obtain the written consent of the mortgagee or mortgagees holding mortgages on 75% or more of the units encumbered by mortgages.

## ARTICLE XI

### MORTGAGES

1. Notice to Board. A unit owner who mortgages his unit shall notify the Board through the Managing Agent of the name and address of his mortgagee, and shall file a conformed copy of the note and mortgage with the Board. The Board shall maintain suitable records pertaining to such mortgages.

2. Notice of Unpaid Assessment for Common Expenses. The Board whenever so requested in writing by a mortgagee of a unit, shall promptly report any then unpaid assessments for Common Expenses due from, or any other default by, the unit owner of the mortgaged unit.

3. Notice of Default. The Board shall give written notice to a unit owner of any default by the unit owner in the performance of any obligations under the Condominium Act, Second Amended Master Deed or By-Laws, and, if such default is not cured within thirty (30) days, shall send a copy of such notice to each holder of a mortgage covering such unit.

4. Notice of Damage. The Board of Directors shall notify: (i) the mortgagee of a unit whenever damage to the unit covered by the mortgage exceeds \$1,000; (ii) all mortgagees whenever damage to the Common Elements exceeds \$10,000; and (iii) of any condemnation or similar proceeding which affects any mortgagee.

5. Consent of First Mortgagees. Notwithstanding any other provision of the Second Amended Master Deed, these By-Laws or the Rules and Regulations, unless at least seventy-five percent (75%) of the mortgagees holding mortgages constituting first liens on units subject to such mortgages (based upon one vote for each mortgage owned) have given their prior written approval, the Council of Unit Owners and Board of Directors shall not be entitled to: (a) by act or omission seek to abandon or terminate the condominium regime; (b) change the pro rata interest or obligations of any unit for (i) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards and for (ii) determining the pro rata share of ownership of each unit in the Common elements; (c) partition or subdivide any unit; (d) by act or omission seek to



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abandon, partition, subdivide, encumber, sell or transfer the Common Elements (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium shall not be deemed a transfer within the meaning of this clause); or (e) use hazard insurance proceeds for losses to the Condominium (whether to units or to Common Elements) for other than the repair, replacement or reconstruction of such improvements except as provided by statute in case of substantial loss to the units and/or Common Elements of the Condominium.

6. Examination of Books. Each unit owner and each mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but, with respect to unit owners, not more often than once a month.

7. "Mortgagee" and "Mortgage". As used in this Article and generally in the Second Amended Master Deed and By-Laws, the term "mortgagees" includes the holder of a note secured by a deed of trust or mortgage encumbering a unit and recorded among the land records of Prince George's County, Maryland, and the term "mortgage" includes any deed of trust recorded among the said land records.

## ARTICLE XII

### NOTICE

1. Manner of Notice. Whenever any notice is required to be given under the provisions of applicable statutes or of the Second Amended Master Deed or these By-Laws to any mortgagee, Director or unit owner, it shall not be construed to require personal notice, but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a post-paid sealed wrapper, addressed to such mortgagee, Director or unit owner at such address as appears on the books of the Condominium, or if no such address appears on the books of the Condominium for any such unit owner at the address of that unit owner's unit, and such notice shall be deemed to be given at the time when the same shall be thus mailed. All notices required to be given to the Council, the Board or the Managing Agent shall be addressed to the principal office of the Condominium or such other address as shall have been designated by written notice to the unit owners pursuant to this Section 1.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Second Amended Master Deed or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE XIII

## COMPLIANCE AND DEFAULT

1. Relief. Each unit owner shall be governed by, and shall comply with, all of the terms of the Second Amended Master Deed, these By-Laws, and the Rules and Regulations, and any amendments of the same. A default by a unit owner shall entitle the Council acting through the Board of Directors or the Managing Agent, to the following relief:

(a) Legal Proceedings. Failure to comply with any of the terms of the Second Amended Master Deed, these By-Laws, and the Rules and Regulations shall be grounds for relief which may include without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these By-Laws, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Council, the Board of Directors, the Managing Agent, or, if appropriate, by any aggrieved unit owner.

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

(c) Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by a unit owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court.

(d) No Waiver of Rights. The failure of the Council, the Board of Directors, or of a unit owner to enforce any right, provisions, covenant, or condition which may be granted by the Second Amended Master Deed, these By-Laws or the Rules and Regulations shall not constitute a waiver of the right of the Council, the Board of Directors, or any unit owner to enforce such right, provision, covenant, or condition in the future. All rights, remedies and privileges granted to the Council, the Board of Directors, or any unit owner pursuant to

any term, provision, covenant or condition of the Second Amended Master Deed, these By-Laws, or the Rules and Regulations shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Second Amended Master Deed, these By-Laws or the Rules and Regulations, or at law or in equity.

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

(f) Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws: (a) to enter the unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; or (c) to suspend or limit the right of the unit owner committing the violation to use any part of the Common Elements during the continuance of such violation.

## 2. Lien for Unpaid Assessments.

(a) If any unit owner fails to pay any assessment for Common Expenses, or any monthly installment thereof, within 30 days after the date on which such payment is due, the Board of Directors shall cause to be filed among the Land Records of Prince George's County, Maryland, on behalf of the Council of Unit Owners, a statement of condominium lien, substantially in the form set forth in the Condominium Act, with respect to the unit owned by the defaulting unit owner. The statement of lien may be signed and verified by any officer of the Condominium, or the Board of Directors may delegate to the Managing Agent the power to sign, verify and record the statement of condominium lien on behalf of the Council of Unit Owners. The amount of the unpaid assessment due from any unit owner, together with interest and the actual costs of collection, is hereby declared to be a lien levied against his unit within the purview of the Condominium Act, which lien shall be effective as of the date of recording of the statement of condominium lien.

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

(c) The lien for unpaid assessments may be foreclosed in the manner provided by the Condominium Act by suit brought in the name of the Board of Directors, acting on behalf of the Council. During the pendency of such suit the unit owner shall be required to pay a reasonable rental for the unit for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale. The plaintiff in such proceeding shall have the right to the appointment of a receiver, if available under the then laws of the State of Maryland.

(d) Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of any suit to recover a money judgment.

#### ARTICLE XIV

##### COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

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

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

3. Severability. In case any of the By-Laws are in conflict with the provisions of any of the statutes of the State of Maryland, the provisions of the statutes will apply. If any provisions of these By-Laws or any section, sentence, clause,

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phrase, or word, or the application thereof in any circumstance is held invalid, the validity of the remainder of these By-Laws, shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

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

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

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

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CHELSEA WOODS COURTS CONDOMINIUM

Exhibit D to Second Amended Master Deed

PHASE I

UNIT	UNIT VALUES	PERCENTAGE INTEREST
8669 - T 1 Greenbelt Road	\$26,000	.0193956
8669 - T 2 Greenbelt Road	\$43,500	.0324503
8669 - 101 Greenbelt Road	\$28,800	.0214845
8669 - 102 Greenbelt Road	\$43,500	.0324503
8669 - 201 Greenbelt Road	\$28,800	.0214845
8669 - 202 Greenbelt Road	\$43,500	.0324503
8671 - T 1 Greenbelt Road	\$26,000	.0193956
8671 - T 2 Greenbelt Road	\$28,800	.0214845
8671 - 101 Greenbelt Road	\$28,800	.0214845
8671 - 102 Greenbelt Road	\$28,800	.0214845
8671 - 201 Greenbelt Road	\$28,800	.0214845
8671 - 202 Greenbelt Road	\$28,800	.0214845
8673 - T 1 Greenbelt Road	\$28,800	.0214845
8673 - T 2 Greenbelt Road	\$26,000	.0193956
8673 - 101 Greenbelt Road	\$28,800	.0214845
8673 - 102 Greenbelt Road	\$28,800	.0214845
8673 - 201 Greenbelt Road	\$28,800	.0214845
8673 - 202 Greenbelt Road	\$28,800	.0214845
8677 - T 1 Greenbelt Road	\$23,500	.0175307
8677 - T 2 Greenbelt Road	\$26,000	.0193956
8677 - 101 Greenbelt Road	\$23,500	.0175307
8677 - 102 Greenbelt Road	\$28,800	.0214845
8677 - 201 Greenbelt Road	\$23,500	.0175307
8677 - 202 Greenbelt Road	\$28,800	.0214845

CHELSEA WOODS COURTS CONDOMINIUM

Exhibit D to Second Amended Master Deed

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8679 - T 1 Greenbelt Road	\$26,000	.0193956
8679 - T 2 Greenbelt Road	\$23,500	.0175307
8679 - 101 Greenbelt Road	\$28,800	.0214845
8679 - 102 Greenbelt Road	\$23,500	.0175307
8679 - 201 Greenbelt Road	\$28,800	.0214845
8679 - 202 Greenbelt Road	\$23,500	.0175307
8681 - T 1 Greenbelt Road	\$26,000	.0193956
8681 - T 2 Greenbelt Road	\$28,800	.0214845
8681 - 101 Greenbelt Road	\$28,800	.0214845
8681 - 102 Greenbelt Road	\$28,800	.0214845
8681 - 201 Greenbelt Road	\$28,800	.0214845
8681 - 202 Greenbelt Road	\$28,800	.0214845
8683 - T 1 Greenbelt Road	\$23,500	.0175307
8683 - T 2 Greenbelt Road	\$26,000	.0193956
8683 - 101 Greenbelt Road	\$23,500	.0175307
8683 - 102 Greenbelt Road	\$28,800	.0214845
8683 - 201 Greenbelt Road	\$23,500	.0175307
8683 - 202 Greenbelt Road	\$28,800	.0214845
8685 - T 1 Greenbelt Road	\$26,000	.0193956
8685 - T 2 Greenbelt Road	\$23,500	.0175307
8685 - 101 Greenbelt Road	\$28,800	.0214845
8685 - 102 Greenbelt Road	\$23,500	.0175307
8685 - 201 Greenbelt Road	\$28,800	.0214845
8685 - 202 Greenbelt Road	\$23,500	.0175307

CHILMARK WOODS COURTES CONDOMINIUM  
Exhibit D to Second Amended Master Deed

4520 611

PHASE I & II

APPG. UNIT	UNIT VALUES	PERCENTAGE INTEREST
8669 - T 1 Greenbelt Road	\$26,000	.0094731
8669 - T 2 Greenbelt Road	\$43,500	.0158491
8669 - 101 Greenbelt Road	\$28,800	.0103346
8669 - 102 Greenbelt Road	\$43,500	.0158491
8669 - 201 Greenbelt Road	\$28,800	.0103346
8669 - 202 Greenbelt Road	\$43,500	.0158491
8671 - T 1 Greenbelt Road	\$26,000	.0094731
8671 - T 2 Greenbelt Road	\$28,800	.0103346
8671 - 101 Greenbelt Road	\$28,800	.0103346
8671 - 102 Greenbelt Road	\$28,800	.0103346
8671 - 201 Greenbelt Road	\$28,800	.0103346
8671 - 202 Greenbelt Road	\$28,800	.0103346
8673 - T 1 Greenbelt Road	\$28,800	.0103346
8673 - T 2 Greenbelt Road	\$26,000	.0094731
8673 - 101 Greenbelt Road	\$28,800	.0103346
8673 - 102 Greenbelt Road	\$28,800	.0103346
8673 - 201 Greenbelt Road	\$28,800	.0103346
8673 - 202 Greenbelt Road	\$28,800	.0103346
8677 - T 1 Greenbelt Road	\$23,500	.0085622
8677 - T 2 Greenbelt Road	\$26,000	.0094731
8677 - 101 Greenbelt Road	\$23,500	.0085622
8677 - 102 Greenbelt Road	\$28,800	.0103346
8677 - 201 Greenbelt Road	\$23,500	.0085622
8677 - 202 Greenbelt Road	\$28,800	.0103346



CHLSEA WOODS COURTS CONDOMINIUM

Exhibit D to Second Amended Master Deed

8679 - T 1 Greenbelt Road	\$26,000	.0094731
8679 - T 2 Greenbelt Road	\$23,500	.0085622
8679 - 101 Greenbelt Road	\$28,800	.0103346
8679 - 102 Greenbelt Road	\$23,500	.0085622
8679 - 201 Greenbelt Road	\$28,800	.0103346
8679 - 202 Greenbelt Road	\$23,500	.0085622
8681 - T 1 Greenbelt Road	\$26,000	.0094731
8681 - T 2 Greenbelt Road	\$28,800	.0103346
8681 - 101 Greenbelt Road	\$28,800	.0103346
8681 - 102 Greenbelt Road	\$28,800	.0103346
8681 - 201 Greenbelt Road	\$28,800	.0103346
8681 - 202 Greenbelt Road	\$28,800	.0103346
8683 - T 1 Greenbelt Road	\$23,500	.0085622
8683 - T 2 Greenbelt Road	\$26,000	.0094731
8683 - 101 Greenbelt Road	\$23,500	.0085622
8683 - 102 Greenbelt Road	\$28,800	.0103346
8683 - 201 Greenbelt Road	\$23,500	.0085622
8683 - 202 Greenbelt Road	\$28,800	.0103346
8685 - T 1 Greenbelt Road	\$26,000	.0094731
8685 - T 2 Greenbelt Road	\$23,500	.0085622
8685 - 101 Greenbelt Road	\$28,800	.0103346
8685 - 102 Greenbelt Road	\$23,500	.0085622
8685 - 201 Greenbelt Road	\$28,800	.0103346
8685 - 202 Greenbelt Road	\$23,500	.0085622
8687 - T 1 Greenbelt Road	\$26,000	.0094731
8687 - T 2 Greenbelt Road	\$43,500	.0158491
8687 - 101 Greenbelt Road	\$28,800	.0103346
8687 - 102 Greenbelt Road	\$43,500	.0158491
8687 - 201 Greenbelt Road	\$28,800	.0103346
8687 - 202 Greenbelt Road	\$43,500	.0158491

4520 645

CHILSEA WOODS COURTS CONDOMINIUM

Exhibit D to Second Amended Master Deed		
8639 - T 1 Greenbelt Road	\$28,800	.0103346
8689 - T 2 Greenbelt Road	\$26,000	.0094731
8689 - 101 Greenbelt Road	\$28,800	.0103346
8689 - 102 Greenbelt Road	\$28,800	.0103346
8689 - 201 Greenbelt Road	\$28,800	.0103346
8689 - 202 Greenbelt Road	\$28,800	.0103346
8691 - T 1 Greenbelt Road	\$26,000	.0094731
8691 - T 2 Greenbelt Road	\$28,800	.0103346
8691 - 101 Greenbelt Road	\$28,800	.0103346
8691 - 102 Greenbelt Road	\$28,800	.0103346
8691 - 201 Greenbelt Road	\$28,800	.0103346
8691 - 202 Greenbelt Road	\$28,800	.0103346
8693 - T 1 Greenbelt Road	\$28,800	.0103346
8693 - T 2 Greenbelt Road	\$26,000	.0094731
8693 - 101 Greenbelt Road	\$28,800	.0103346
8693 - 202 Greenbelt Road	\$28,800	.0103346
8693 - 201 Greenbelt Road	\$28,800	.0103346
8693 - 202 Greenbelt Road	\$28,800	.0103346
8695 - T 1 Greenbelt Road	\$26,000	.0094731
8695 - T 2 Greenbelt Road	\$28,800	.0103346
8695 - 101 Greenbelt Road	\$28,800	.0103346
8695 - 102 Greenbelt Road	\$28,800	.0103346
8695 - 201 Greenbelt Road	\$28,800	.0103346
8695 - 202 Greenbelt Road	\$28,800	.0103346
8697 - T 1 Greenbelt Road	\$28,800	.0103346
8697 - T 2 Greenbelt Road	\$26,000	.0094731
8697 - 101 Greenbelt Road	\$28,800	.0103346
8697 - 102 Greenbelt Road	\$28,800	.0103346
8697 - 201 Greenbelt Road	\$28,800	.0103346

4520 618

Exhibit D to Second Amended Master Deed 4520

647

8697 - 202 Greenbelt Road	\$28,800	.0103346
8699 - T 1 Greenbelt Road	\$26,000	.0094731
8699 - T 2 Greenbelt Road	\$28,800	.0103346
8699 - 101 Greenbelt Road	\$28,800	.0103346
8699 - 102 Greenbelt Road	\$28,800	.0103346
8699 - 201 Greenbelt Road	\$28,800	.0103346
8699 - 202 Greenbelt Road	\$28,800	.0103346
8701 - T 1 Greenbelt Road	\$28,800	.0103346
8701 - T 2 Greenbelt Road	\$26,000	.0094731
8701 - 101 Greenbelt Road	\$28,800	.0103346
8701 - 102 Greenbelt Road	\$28,800	.0103346
8701 - 201 Greenbelt Road	\$28,800	.0103346
8701 - 202 Greenbelt Road	\$28,800	.0103346

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Exhibit D to Second Amended Master Deed

PHASE I & II & III

4520 648

BLDG. UNIT	UNIT VALUES	PERCENTAGE INTEREST
8649 - T 1 Greenbelt Road	\$26,000	.0064631
8649 - T 2 Greenbelt Road	\$28,800	.0071591
8649 - 101 Greenbelt Road	\$28,800	.0071591
8649 - 102 Greenbelt Road	\$28,800	.0071591
8649 - 201 Greenbelt Road	\$28,800	.0071591
8649 - 202 Greenbelt Road	\$28,800	.0071591
8651 - T 1 Greenbelt Road	\$28,800	.0071591
8651 - T 2 Greenbelt Road	\$26,000	.0064631
8651 - 101 Greenbelt Road	\$28,800	.0071591
8651 - 102 Greenbelt Road	\$28,800	.0071591
8651 - 201 Greenbelt Road	\$28,800	.0071591
8651 - 202 Greenbelt Road	\$28,800	.0071591
8653 - T 1 Greenbelt Road	\$43,500	.0108133
8653 - T 2 Greenbelt Road	\$26,000	.0064631
8653 - 101 Greenbelt Road	\$43,500	.0108133
8653 - 102 Greenbelt Road	\$28,800	.0071591
8653 - 201 Greenbelt Road	\$43,500	.0108133
8653 - 202 Greenbelt Road	\$28,800	.0071591
8655 - T 1 Greenbelt Road	\$26,000	.0064631
8655 - T 2 Greenbelt Road	\$28,800	.0071591
8655 - 101 Greenbelt Road	\$28,800	.0071591
8655 - 102 Greenbelt Road	\$28,800	.0071591
8655 - 201 Greenbelt Road	\$28,800	.0071591
8655 - 202 Greenbelt Road	\$28,800	.0071591
8657 - T 1 Greenbelt Road	\$26,000	.0064631
8657 - T 2 Greenbelt Road	\$28,800	.0071591

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CHILSEA WOODS COURTS CONDOMINIUM

40211 119

Exhibit D to Second Amended Master Deed

8657 - 101 Greenbelt Road	\$28,800	.0071591
8657 - 102 Greenbelt Road	\$28,800	.0071591
8657 - 201 Greenbelt Road	\$28,800	.0071591
8657 - 202 Greenbelt Road	\$28,800	.0071591
8659 - T 1 Greenbelt Road	\$26,000	.0064631
8659 - T 2 Greenbelt Road	\$28,800	.0071591
8659 - 101 Greenbelt Road	\$28,800	.0071591
8659 - 102 Greenbelt Road	\$28,800	.0071591
8659 - 201 Greenbelt Road	\$28,800	.0071591
8659 - 202 Greenbelt Road	\$28,800	.0071591
8669 - T 1 Greenbelt Road	\$26,000	.0064631
8669 - T 2 Greenbelt Road	\$43,500	.0108133
8669 - 101 Greenbelt Road	\$28,800	.0071591
8669 - 102 Greenbelt Road	\$43,500	.0108133
8669 - 201 Greenbelt Road	\$28,800	.0071591
8669 - 202 Greenbelt Road	\$43,500	.0108133
8671 - T 1 Greenbelt Road	\$26,000	.0064631
8671 - T 2 Greenbelt Road	\$28,800	.0071591
8671 - 101 Greenbelt Road	\$28,800	.0071591
8671 - 102 Greenbelt Road	\$28,800	.0071591
8671 - 201 Greenbelt Road	\$28,800	.0071591
8671 - 202 Greenbelt Road	\$28,800	.0071591
8673 - T 1 Greenbelt Road	\$28,800	.0071591
8673 - T 2 Greenbelt Road	\$26,000	.0064631
8673 - 101 Greenbelt Road	\$28,800	.0071591
8673 - 102 Greenbelt Road	\$28,800	.0071591
8673 - 201 Greenbelt Road	\$28,800	.0071591
8673 - 202 Greenbelt Road	\$28,800	.0071591

CHLSEA WOODS COURTS CONDOMINIUM

Exhibit D to Second Amended Master Deed

8673 - T 1 Greenbelt Road	\$26,000	.0064631
8673 - T 2 Greenbelt Road	\$43,500	.0108133
8673 - 101 Greenbelt Road	\$28,800	.0071591
8673 - 102 Greenbelt Road	\$43,500	.0108133
8673 - 201 Greenbelt Road	\$28,800	.0071591
8673 - 202 Greenbelt Road	\$43,500	.0108133
8677 - T 1 Greenbelt Road	\$23,500	.0058416
8677 - T 2 Greenbelt Road	\$26,000	.0064631
8677 - 101 Greenbelt Road	\$23,500	.0058416
8677 - 102 Greenbelt Road	\$28,800	.0071591
8677 - 201 Greenbelt Road	\$23,500	.0058416
8677 - 202 Greenbelt Road	\$28,800	.0071591
8679 - T 1 Greenbelt Road	\$26,000	.0064631
8679 - T 2 Greenbelt Road	\$23,500	.0058416
8679 - 101 Greenbelt Road	\$28,800	.0071591
8679 - 102 Greenbelt Road	\$23,500	.0058416
8679 - 201 Greenbelt Road	\$28,800	.0071591
8679 - 202 Greenbelt Road	\$23,500	.0058416
8681 - T 1 Greenbelt Road	\$26,000	.0064631
8681 - T 2 Greenbelt Road	\$28,800	.0071591
8681 - 101 Greenbelt Road	\$28,800	.0071591
8681 - 102 Greenbelt Road	\$28,800	.0071591
8681 - 201 Greenbelt Road	\$28,800	.0071591
8681 - 202 Greenbelt Road	\$28,800	.0071591
8683 - T 1 Greenbelt Road	\$23,500	.0058416
8683 - T 2 Greenbelt Road	\$26,000	.0064631
8683 - 101 Greenbelt Road	\$23,500	.0058416
8683 - 102 Greenbelt Road	\$28,800	.0071591
8683 - 201 Greenbelt Road	\$23,500	.0058416
8683 - 202 Greenbelt Road	\$28,800	.0071591

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# CHIELSA WOODS COURTS CONDOMINIUM

Exhibit D to Second Amended Master Deed

8685 - T 1 Greenbelt Road	\$26,000	.0064631
8685 - T 2 Greenbelt Road	\$23,500	.0058416
8685 - 101 Greenbelt Road	\$28,800	.0071591
8685 - 102 Greenbelt Road	\$23,500	.0058416
8685 - 201 Greenbelt Road	\$28,800	.0071591
8685 - 202 Greenbelt Road	\$23,500	.0058416
8687 - T 1 Greenbelt Road	\$26,000	.0064631
8687 - T 2 Greenbelt Road	\$43,500	.0108133
8687 - 101 Greenbelt Road	\$28,800	.0071591
8687 - 102 Greenbelt Road	\$43,500	.0108133
8687 - 201 Greenbelt Road	\$28,800	.0071591
8687 - 202 Greenbelt Road	\$43,500	.0108133
8689 - T 1 Greenbelt Road	\$28,800	.0071591
8689 - T 2 Greenbelt Road	\$26,000	.0064631
8689 - 101 Greenbelt Road	\$28,800	.0071591
8689 - 102 Greenbelt Road	\$28,800	.0071591
8689 - 201 Greenbelt Road	\$28,800	.0071591
8689 - 202 Greenbelt Road	\$28,800	.0071591
8691 - T 1 Greenbelt Road	\$26,000	.0064631
8691 - T 2 Greenbelt Road	\$28,800	.0071591
8691 - 101 Greenbelt Road	\$28,800	.0071591
8691 - 102 Greenbelt Road	\$28,800	.0071591
8691 - 201 Greenbelt Road	\$28,800	.0071591
8691 - 202 Greenbelt Road	\$28,800	.0071591
8693 - T 1 Greenbelt Road	\$28,800	.0071591
8693 - T 2 Greenbelt Road	\$26,000	.0064631
8693 - 101 Greenbelt Road	\$28,800	.0071591
8693 - 102 Greenbelt Road	\$28,800	.0071591
8693 - 201 Greenbelt Road	\$28,800	.0071591
8693 - 202 Greenbelt Road	\$28,800	.0071591

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651

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Exhibit D to Second Amended Master Deed

4520 652

8695 - T 1 Greenbelt Road	\$26,000	.0064631
8695 - T 2 Greenbelt Road	\$28,800	.0071591
8695 - 101 Greenbelt Road	\$28,800	.0071591
8695 - 102 Greenbelt Road	\$28,800	.0071591
8695 - 201 Greenbelt Road	\$28,800	.0071591
8695 - 202 Greenbelt Road	\$28,800	.0071591
8697 - T 1 Greenbelt Road	\$28,800	.0071591
8697 - T 2 Greenbelt Road	\$26,000	.0064631
8697 - 101 Greenbelt Road	\$28,800	.0071591
8697 - 102 Greenbelt Road	\$28,800	.0071591
8697 - 201 Greenbelt Road	\$28,800	.0071591
8697 - 202 Greenbelt Road	\$28,800	.0071591
8699 - T 1 Greenbelt Road	\$26,000	.0064631
8699 - T 2 Greenbelt Road	\$28,800	.0071591
8699 - 101 Greenbelt Road	\$28,800	.0071591
8699 - 102 Greenbelt Road	\$28,800	.0071591
8699 - 201 Greenbelt Road	\$28,800	.0071591
8699 - 202 Greenbelt Road	\$28,800	.0071591
8701 - T 1 Greenbelt Road	\$28,800	.0071591
8701 - T 2 Greenbelt Road	\$26,000	.0064631
8701 - 101 Greenbelt Road	\$28,800	.0071591
8701 - 102 Greenbelt Road	\$28,800	.0071591
8701 - 201 Greenbelt Road	\$28,800	.0071591
8701 - 202 Greenbelt Road	\$28,800	.0071591

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CHILSEA WOODS COURTS CONDOMINIUM  
Exhibit D to Second Amended Master Deed 4520 (153)

PHASE I & II & III & IV

UNIT	UNIT VALUES	PERCENTAGE INTEREST
8645 - T 1 Greenbelt Road	\$23,500	.0046896
8645 - T 2 Greenbelt Road	\$26,000	.0051885
8645 - 101 Greenbelt Road	\$23,500	.0046896
8645 - 102 Greenbelt Road	\$28,800	.0057473
8645 - 201 Greenbelt Road	\$23,500	.0046896
8645 - 202 Greenbelt Road	\$28,800	.0057473
8647 - T 1 Greenbelt Road	\$26,000	.0051885
8647 - T 2 Greenbelt Road	\$23,500	.0046896
8647 - 101 Greenbelt Road	\$28,800	.0057473
8647 - 102 Greenbelt Road	\$23,500	.0046896
8647 - 201 Greenbelt Road	\$28,800	.0057473
8647 - 202 Greenbelt Road	\$23,500	.0046896
8649 - T 1 Greenbelt Road	\$26,000	.0051885
8649 - T 2 Greenbelt Road	\$28,800	.0057473
8649 - 101 Greenbelt Road	\$28,800	.0057473
8649 - 102 Greenbelt Road	\$28,800	.0057473
8649 - 201 Greenbelt Road	\$28,800	.0057473
8649 - 202 Greenbelt Road	\$28,800	.0057473
8651 - T 1 Greenbelt Road	\$28,800	.0057473
8651 - T 2 Greenbelt Road	\$26,000	.0051885
8651 - 101 Greenbelt Road	\$28,800	.0057473
8651 - 102 Greenbelt Road	\$28,800	.0057473
8651 - 201 Greenbelt Road	\$28,800	.0057473
8651 - 202 Greenbelt Road	\$28,800	.0057473

Exhibit D to Second Amended Master Deed

8653 - T 1 Greenbelt Road	\$43,500	.0086808
8653 - T 2 Greenbelt Road	\$26,000	.0051885
8653 - 101 Greenbelt Road	\$43,500	.0086808
8653 - 102 Greenbelt Road	\$28,800	.0057473
8653 - 201 Greenbelt Road	\$43,500	.0086808
8653 - 202 Greenbelt Road	\$28,800	.0057473
8655 - T 1 Greenbelt Road	\$26,000	.0051885
8655 - T 2 Greenbelt Road	\$28,800	.0057473
8655 - 101 Greenbelt Road	\$28,800	.0057473
8655 - 102 Greenbelt Road	\$28,800	.0057473
8655 - 201 Greenbelt Road	\$28,800	.0057473
8655 - 202 Greenbelt Road	\$28,800	.0057473
8657 - T 1 Greenbelt Road	\$26,000	.0051885
8657 - T 2 Greenbelt Road	\$28,800	.0057473
8657 - 101 Greenbelt Road	\$28,800	.0057473
8657 - 102 Greenbelt Road	\$28,800	.0057473
8657 - 201 Greenbelt Road	\$28,800	.0057473
8657 - 202 Greenbelt Road	\$28,800	.0057473
8659 - T 1 Greenbelt Road	\$26,000	.0051885
8659 - T 2 Greenbelt Road	\$28,800	.0057473
8659 - 101 Greenbelt Road	\$28,800	.0057473
8659 - 102 Greenbelt Road	\$28,800	.0057473
8659 - 201 Greenbelt Road	\$28,800	.0057473
8659 - 202 Greenbelt Road	\$28,800	.0057473
8661 - T 1 Greenbelt Road	\$26,000	.0051885
8661 - T 2 Greenbelt Road	\$28,800	.0057473
8661 - 101 Greenbelt Road	\$28,800	.0057473
8661 - 102 Greenbelt Road	\$28,800	.0057473
8661 - 201 Greenbelt Road	\$28,800	.0057473
8661 - 202 Greenbelt Road	\$28,800	.0057473

Exhibit D to Second Amended Master Deed

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055

8663 - T 1 Greenbelt Road	\$28,800	.0057473
8663 - T 2 Greenbelt Road	\$26,000	.0051885
8663 - 101 Greenbelt Road	\$28,800	.0057473
8663 - 102 Greenbelt Road	\$28,800	.0057473
8663 - 201 Greenbelt Road	\$28,800	.0057473
8663 - 202 Greenbelt Road	\$28,800	.0057473
8665 - T 1 Greenbelt Road	\$26,000	.0051885
8665 - T 2 Greenbelt Road	\$28,800	.0057473
8665 - 101 Greenbelt Road	\$28,800	.0057473
8665 - 102 Greenbelt Road	\$28,800	.0057473
8665 - 201 Greenbelt Road	\$28,800	.0057473
8665 - 202 Greenbelt Road	\$28,800	.0057473
8667 - T 1 Greenbelt Road	\$28,800	.0057473
8667 - T 2 Greenbelt Road	\$26,000	.0051885
8667 - 101 Greenbelt Road	\$28,800	.0057473
8667 - 102 Greenbelt Road	\$28,800	.0057473
8667 - 201 Greenbelt Road	\$28,800	.0057473
8667 - 202 Greenbelt Road	\$28,800	.0057473
8669 - T 1 Greenbelt Road	\$26,000	.0051885
8669 - T 2 Greenbelt Road	\$43,500	.0086808
8669 - 101 Greenbelt Road	\$28,800	.0057473
8669 - 102 Greenbelt Road	\$43,500	.0086808
8669 - 201 Greenbelt Road	\$28,800	.0057473
8669 - 202 Greenbelt Road	\$43,500	.0086808
8671 - T 1 Greenbelt Road	\$26,000	.0051885
8671 - T 2 Greenbelt Road	\$28,800	.0057473
8671 - 101 Greenbelt Road	\$28,800	.0057473
8671 - 102 Greenbelt Road	\$28,800	.0057473
8671 - 201 Greenbelt Road	\$28,800	.0057473
8671 - 202 Greenbelt Road	\$28,800	.0057473

Exhibit D to Second Amended Master Fee

8673 - T 1 Greenbelt Road	\$28,800	.0057473
8673 - T 2 Greenbelt Road	\$26,000	.0051885
8673 - 101 Greenbelt Road	\$28,800	.0057473
8673 - 102 Greenbelt Road	\$28,800	.0057473
8673 - 201 Greenbelt Road	\$28,800	.0057473
8673 - 202 Greenbelt Road	\$28,800	.0057473
8675 - T 1 Greenbelt Road	\$26,000	.0051885
8675 - T 2 Greenbelt Road	\$43,500	.0086808
8675 - 101 Greenbelt Road	\$28,800	.0057473
8675 - 102 Greenbelt Road	\$43,500	.0086808
8675 - 201 Greenbelt Road	\$28,800	.0057473
8675 - 202 Greenbelt Road	\$43,500	.0086808
8677 - T 1 Greenbelt Road	\$23,500	.0046896
8677 - T 2 Greenbelt Road	\$26,000	.0051885
8677 - 101 Greenbelt Road	\$23,500	.0046896
8677 - 102 Greenbelt Road	\$28,800	.0057473
8677 - 201 Greenbelt Road	\$23,500	.0046896
8677 - 202 Greenbelt Road	\$28,800	.0057473
8679 - T 1 Greenbelt Road	\$26,000	.0051885
8679 - T 2 Greenbelt Road	\$23,500	.0046896
8679 - 101 Greenbelt Road	\$28,800	.0057473
8679 - 102 Greenbelt Road	\$23,500	.0046896
8679 - 201 Greenbelt Road	\$28,800	.0057473
8679 - 202 Greenbelt Road	\$23,500	.0046896
8681 - T 1 Greenbelt Road	\$26,000	.0051383
8681 - T 2 Greenbelt Road	\$28,800	.0057473
8681 - 101 Greenbelt Road	\$28,800	.0057473
8681 - 102 Greenbelt Road	\$28,800	.0057473
8681 - 201 Greenbelt Road	\$28,800	.0057473
8681 - 202 Greenbelt Road	\$28,800	.0057473

45211 6.66

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CHILSEA WOODS COURTS CONDOMINIUM

Exhibit D to Second Amended Master Deed

8683 - T 1 Greenbelt Road	\$23,500	.0046396
8683 - T 2 Greenbelt Road	\$26,000	.0051835
8683 - 101 Greenbelt Road	\$23,500	.0046896
8683 - 102 Greenbelt Road	\$28,800	.0057473
8683 - 201 Greenbelt Road	\$23,500	.0046896
8683 - 202 Greenbelt Road	\$28,800	.0057473
8685 - T 1 Greenbelt Road	\$26,000	.0051885
8685 - T 2 Greenbelt Road	\$23,500	.0046896
8685 - 101 Greenbelt Road	\$28,800	.0057473
8685 - 102 Greenbelt Road	\$23,500	.0046896
8685 - 201 Greenbelt Road	\$28,800	.0057473
8685 - 202 Greenbelt Road	\$23,500	.0046986
8687 - T 1 Greenbelt Road	\$26,000	.0051885
8687 - T 2 Greenbelt Road	\$43,500	.0086808
8687 - 101 Greenbelt Road	\$28,800	.0057473
8687 - 102 Greenbelt Road	\$43,500	.0086808
8687 - 201 Greenbelt Road	\$28,800	.0057473
8687 - 202 Greenbelt Road	\$43,500	.0086808
8689 - T 1 Greenbelt Road	\$28,800	.0057473
8689 - T 2 Greenbelt Road	\$26,000	.0051885
8689 - 101 Greenbelt Road	\$28,800	.0057473
8689 - 102 Greenbelt Road	\$28,800	.0057473
8689 - 201 Greenbelt Road	\$28,800	.0057473
8689 - 202 Greenbelt Road	\$28,800	.0057473
8691 - T 1 Greenbelt Road	\$26,000	.0051885
8691 - T 2 Greenbelt Road	\$28,800	.0057473
8691 - 101 Greenbelt Road	\$28,800	.0057473
8691 - 102 Greenbelt Road	\$28,800	.0057473
8691 - 201 Greenbelt Road	\$28,800	.0057473
8691 - 202 Greenbelt Road	\$28,800	.0057473

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657

Exhibit D to Second Amended Master Deed		
8693 - T 1 Greenbelt Road	\$26,000	.0051885
8693 - T 2 Greenbelt Road	\$26,000	.0051885
8693 - 101 Greenbelt Road	\$28,800	.0057473
8693 - 102 Greenbelt Road	\$28,800	.0057473
8693 - 201 Greenbelt Road	\$28,800	.0057473
8693 - 202 Greenbelt Road	\$28,800	.0057473
8695 - T 1 Greenbelt Road	\$26,000	.0051885
8695 - T 2 Greenbelt Road	\$28,800	.0057473
8695 - 101 Greenbelt Road	\$28,800	.0057473
8695 - 102 Greenbelt Road	\$28,800	.0057473
8695 - 201 Greenbelt Road	\$28,800	.0057473
8695 - 202 Greenbelt Road	\$28,800	.0057473
8697 - T 1 Greenbelt Road	\$28,800	.0057473
8697 - T 2 Greenbelt Road	\$26,000	.0051885
8697 - 101 Greenbelt Road	\$28,800	.0057473
8697 - 102 Greenbelt Road	\$28,800	.0057473
8697 - 201 Greenbelt Road	\$28,800	.0057473
8697 - 202 Greenbelt Road	\$28,800	.0057473
8699 - T 1 Greenbelt Road	\$26,000	.0051885
8699 - T 2 Greenbelt Road	\$28,800	.0057473
8699 - 101 Greenbelt Road	\$28,800	.0057473
8699 - 102 Greenbelt Road	\$28,800	.0057473
8699 - 201 Greenbelt Road	\$28,800	.0057473
8699 - 202 Greenbelt Road	\$28,800	.0057473
8701 - T 1 Greenbelt Road	\$28,800	.0057473
8701 - T 2 Greenbelt Road	\$26,000	.0051885
8701 - 101 Greenbelt Road	\$28,800	.0057473
8701 - 102 Greenbelt Road	\$28,800	.0057473
8701 - 201 Greenbelt Road	\$28,800	.0057473
8701 - 202 Greenbelt Road	\$28,800	.0057473

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625

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## ARTICLE I

Plan of Unit Ownership, Section I, "Condominium Submission" is hereby amended to read as follows:

The Condominium Project known as "Chelsea Wood Courts Condominium" located in Prince George's County, Maryland, has been declared and reconstituted a Condominium Regime by the Second Amended Master Deed recorded in the Land Records of Prince George's County simultaneously herewith. These By-laws are amended to said Second Amended Master Deed as Exhibit "B", and intended as a part of said Master Deed. The words and phrases herein, if defined in the Second Amended Master Deed, shall have the meanings therein assigned. All references to the rights, duties and obligations of the Developer contained in these By-laws are repealed, inasmuch as the Developer is no longer involved in the Condominium.

## ARTICLE II

Council of Unit Owners, Section 12, "Roster of Unit Owners" is hereby amended to read as follows:

The Council shall maintain a current roster containing the names and addresses of all unit owners. Each unit owner shall, within twenty (20) days after acquiring title to his unit, furnish the Secretary, or his designee, with his name and current mailing address. No unit owner may vote at meetings of the Council until this information is furnished.



## ARTICLE II

Council of Unit Owners, Section 13, "Mailing Address" is hereby amended to read as follows:

The mailing address of the Council of Unit Owners shall be 8661 Greenbelt Road, Unit T-2, Greenbelt, Maryland 20770.

### ARTICLE III

#### Board of Directors

The Board of Directors shall be composed of five (5) persons, all of whom shall be unit owners or spouses of unit owners, or mortgagees (or designees or mortgagees) of units, provided however, that no two (2) occupants or owners of the same unit shall be eligible to serve on the Board of Directors at the same time.

#### ARTICLE IV

Officers, Section 7, "Treasurer" is hereby amended to read as follows:

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

#### ARTICLE IV

Officers, Section 8, "Agreements, Contracts, Deeds, Checks, Etc." is hereby amended to read as follows:

All agreements, contracts, deeds, leases, checks and other instruments of the Condominium for expenditures or obligations of over Nine Thousand Dollars (\$9,000.00) shall be executed by any two (2) officers of the Condominium or by any one (1) officer and such other person as may be designated by the Board of Directors, provided however, that any such expenditure or obligation over Nine Thousand Dollars (\$9,000.00) be first approved by the Board of Directors. All such instruments for expenditures or obligations of less than Nine Thousand Dollars (\$9,000.00) may be executed by any one (1) officer of the Condominium or by such other person or persons as may be designated by the Board of Directors.

## ARTICLE V

Operation of the Property, Section 1(d), "Determination of Common Expenses and Assessments Against Unit Owners" is hereby amended to read as follows:

(d) Reserves. The Board of Directors shall build up and maintain an adequate reserve for working capital and contingencies and an adequate reserve for replacement of the common elements which shall be funded by regular monthly payments, as provided for in Subsection (c). All funds accumulated for reserves shall be kept in a separate bank account, segregated from the general operating fund, and, if the Board of Directors deems it advisable, funds accumulated for each type of reserve shall be kept in a separate bank account, identified by reference to the specific category of reserve. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. Except where an emergency requires an expenditure to prevent or minimize loss from further damage to, or deterioration of, the common elements, reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Council. If for any reason, including non-payment of any unit owner's assessment, the reserves are inadequate, 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 in the units, and which may be payable unto such reserve fund in a lump sum or in installments

as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all unit owners by a statement in writing giving the amount and reasons therefore, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All unit owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the amount of such assessments.

## ARTICLE V

Operation of the Property, Section 3, "Collection of Assessments" is hereby amended to read as follows:

The Board of Directors shall take prompt action to collect any assessment for Common Expenses due from any unit owner which remains unpaid for more than thirty (30) days from the date due for payment thereof. In addition, all unpaid assessments due from any unit owner, together with interest thereon and the actual costs of collection, shall be secured by a lien on the unit as provided in Section No. 2 of Article XIII of these By-laws and the Condominium Act, which lien shall be subordinate only to the lien of the holder of the first mortgage on the unit or as otherwise provided by law. The Board of Directors may assess interest on any unpaid assessment at the maximum rate provided by law, and may assess a late charge of Fifteen Dollars (\$15.00) or one-tenth (1/10) of the total amount of any delinquent assessment or installment, whichever is greater.

## AFFIDAVIT

STATE OF MARYLAND

COUNTY OF PRINCE GEORGE'S

)  
 ) SS:  
 ) TO WIT:

I/we, STEPHEN FRANKENBERG and ANDREW NUSSBAUM, President and Secretary of the Board of Directors of the Council of Unit Owners of Chelsea Wood Courts Condominium Association, hereby certify that the attached Amendment to the Bylaws of Chelsea Wood Courts Condominium Association (Section 1 of Article X) was approved by unit owners representing seventy five percent (75%) of the votes appertaining to all the units present in person or by proxy as required by Section 1 of Article X, "Amendments to the Bylaws".

I/we, President and Secretary of the Board of Directors, hereby certify that I/we are authorized to count votes and proxies of unit owners of Chelsea Wood Courts Condominium Association.

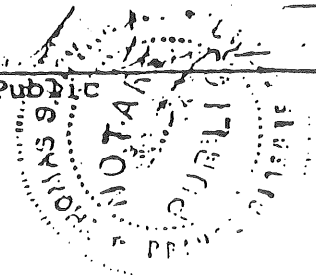
*Stephen Frankenberg*  
 Stephen Frankenberg  
 President

*Andrew Nussbaum*  
 Andrew Nussbaum  
 Secretary

SUBSCRIBED AND SWORN TO before me, a Notary Public of the said County and State aforesaid, this 14 day of December 1981.

*Thomas A. [Signature]*  
 Notary Public

My Commission Expires:





## SECTION I

"Amendments" of Article X, Amendment to Bylaws, is hereby amended to read as follows:

1. Amendments. Except as otherwise provided in this Section, these bylaws may be modified or amended either (i) by a vote by the unit owners of at least sixty six and two-thirds percent ( $66 \frac{2}{3} \%$ ) of the votes appertaining to all the units, present in person or by proxy, at any regular or special meeting of the Council, or (ii) pursuant to a written instrument duly executed by the unit owners having at least sixty six and two-thirds percent ( $66 \frac{2}{3}\%$ ) of the votes appertaining to all the units.

5488 920

AFFIDAVIT

STATE OF MARYLAND

COUNTY OF PRINCE GEORGE'S

)  
) SS:  
) TO WIT:

I/we, STEPHEN FRANKENBERG and ANDREW NUSSBAUM, President and Secretary of the Board of Directors of the Council of Unit Owners of Chelsea Wood Courts Condominium Association, hereby certify that the attached Amendment to the Bylaws of Chelsea Wood Courts Condominium Association (Section 1 of Article X) was approved by unit owners representing sixty six and two-thirds percent (66 2/3%) of the votes appertaining to all the units present in person or by proxy as required by Section 1 of Article X, "Amendments to the Bylaws".

I/we, President and Secretary of the Board of Directors, hereby certify that I/we are authorized to count votes and proxies of unit owners of Chelsea Wood Courts Condominium Association.

Stephen Frankenberg  
President

Andrew Nussbaum  
Secretary

SUBSCRIBED AND SWORN TO before me, a Notary Public of the said County and State aforesaid, this 31st day of December, 1981.

Carana G. Vickers  
Notary Public

My Commission Expires: 7/1/82

5488 921

ARTICLE III

Add Subsection (g) of Section 1 of Article III, "Powers and Duties of the Board of Directors"

The powers and duties of the Board of Directors shall include levying fines against unit owners for violations of the rules and regulations of the provisions of the Master Deed, or of these Bylaws. However, no fine may be levied for more than Ten Dollars (\$10.00) for any one (1) violation; but for each day the violation continues after notice, it shall be considered a separate violation. Collection of fines may be enforced against unit owner or owners involved as if the fines were a common charge by the particular unit owner or unit owners.

Where a unit owner persists in violating the Rules and Regulations, the Bylaws or the provisions of the Master Deed and its Amendments, the Board of Directors may require him or her to post a bond satisfactory to it, to secure future compliance and performance with the Rules and Regulations, the Bylaws, and the Master Deed and its amendments.

The procedure as contemplated by Section 11-113, "Dispute Settling Mechanism" of the "Real Property Article", Annotated Code of Maryland, as amended, shall not apply to unit owners, tenants, residents and any other occupant of any unit of Chelsea Wood Courts Condominium Association.

No fine may be levied until after the alleged violator has been notified and allowed to appear before the Board of Directors in his or her own behalf.

