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After Recording Return to:
Mark Mitek, Esq.
Kass & Skalet, PLLC
1050 17th Street, NW, #1100
Washington, DC 20036

EXHIBIT B

AMENDED AND RESTATED BYLAWS OF CAPITOL PARK TWO CONDOMINIUM

ARTICLE I

ASSOCIATION

A. The Association

The Capitol Park Two Condominium located in Washington, District of Columbia shall be administered by an unincorporated or incorporated association to be known as the Council of Co-Owners of Capitol Park Two Condominium (hereinafter referred to as the "Association") and shall include Co-Owners (hereinafter referred to as "Unit Owners" or "Owners") of all Units. The Association shall have the responsibility of administering the Condominium, approving the annual budget, 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 other acts as may be required to be performed by the Association by the Condominium Act of the District of Columbia (Chapter 18 of Title 45 of the District of Columbia Code, the "Condominium Act" or "Act"), as amended, and as subsequently amended from time to time, the Declaration of Condominium and these Bylaws. Except as to those matters which the Condominium Act specifically requires to be performed by a vote of the Owners of the Units, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth in Article II of these Bylaws.

The terms used in these Bylaws shall have the same meanings as defined in the Condominium Declaration and the Condominium Act.

The administration and management of the Condominium and the actions of the Unit Owners and the Association and its Board of Directors and officers shall be governed by these Bylaws and the Rules and Regulations promulgated hereunder.

All Unit Owners and their tenants, licensees, invitees, agents, employees and any other person or persons who are permitted to use the Condominium shall be subject to these Bylaws and the other Condominium Instruments and to the Rules and Regulations of the Association. Acquisition, rental or occupancy of a Unit shall constitute the Unit Owner's, tenant's and occupant's acceptance and ratification of, and the agreement to comply with, these Bylaws and other Condominium Instruments, and any Rules and Regulations now existent or hereafter adopted.

All Unit Owners in the Condominium, acting as a group in accordance with the Act and the Condominium Instruments, shall constitute the Association. Any Unit Owner, upon acquiring title to the Unit, shall automatically become a member of the Association and shall remain a member thereof until such time as the ownership

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of such Unit ceases for any reason, at which time the membership in the Association shall automatically cease. A person who holds any interest in a Unit solely as security for the performance of an obligation shall not be a member of the Association.

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

B. Place of Meetings

All meetings of the Association, whether regular of special, shall be held at the principal office of the Capitol Park Two Condominium or such other suitable place in the District of Columbia as may be designated by the Board of Directors.

C. Annual Meetings

Annual meetings of the Association shall be held on the first (1st) Monday of November or any day in the month of November as determined by the Board of Directors of each year. If that day is a legal holiday, the meeting shall be held on the next succeeding day not a legal holiday at such place.

At such meetings there shall be elected by ballot of the Unit Owners a Board of Directors in accordance with the requirements of Article II of these Bylaws. There shall also be transacted at such meetings such other business as may properly come before the Association.

D. Special Meetings

The President may call a special meeting of the Association at any time and shall call a special meeting of the Association whenever so directed by a resolution of the Board of Directors or upon a petition signed by the Unit Owners holding one-fifth (1/5) of the votes of all the members of the Association. The signatures on a petition requesting a special meeting shall be valid for a period of 180 days after the date of the first such signature. The notice of any meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

E. Notice of Meetings

The Secretary of the Association shall prepare a written notice of each meeting of the Association stating the place, date and hour and the purpose of the meeting. This notice shall be given not less than twenty-one (21) but not more than fifty (50) days before any annual or regularly scheduled meeting to each Unit Owner, and at least seven (7) days but not more than fifty (50) days of any special meeting, by mailing it, postage prepaid, addressed to such Unit Owner at his/her address as it appears in the records of the Capitol Park Two Condominium, or by the Secretary delivering the notice to the Unit Owner, provided the Secretary certifies in writing that the notice was delivered to the Unit Owner.

F. Quorum

Except as is otherwise provided in the Act or elsewhere in these Bylaws, a quorum shall consist of Unit Owners representing a majority in interest of all Individual Percentage Interests. A quorum shall be deemed to be present throughout a meeting of the Association until adjournment if persons entitled to cast more than fifty percent (50%) of the votes are present in person or by proxy at the beginning of the meeting. Units owned directly or indirectly by the Association, if any, shall not be deemed outstanding for this purpose.

G. Adjourned Meetings for Failure of a Quorum

If any meeting of the Association cannot be organized because a quorum has not been attained, the Unit Owners owning a majority of votes who are present, in person or by proxy, may recess or temporarily adjourn the meeting from time to time until a quorum is obtained, and the reconvened meeting may be held without further notice.

H. Voting

Voting at all meetings of the Unit Owners shall be on a percentage basis, and the percentage of the vote to which each Unit Owner is entitled shall be the Individual Percentage Interest assigned to his/her Unit in the Declaration of Condominium. Where the ownership of a Unit is in more than one (1) 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 of the Association. Such certificate shall be valid until revoked by a subsequent certificate. Except as otherwise provided in the Act, in the Declaration of Condominium or in these Bylaws, a majority vote (in person or by proxy) at such meeting is required to adopt decisions at any meeting of the Association. A Unit Owner may not vote at any meeting if such Unit Owner is delinquent more than forty-five (45) days on any financial obligation to the Association, and the amount necessary to bring the account current has not been paid at the time of such meeting.

I. Voting by Board of Directors

The Board of Directors shall not, directly or indirectly, vote any individual Percentage Interest held by the Association, but individual directors may vote their individual shares.

J. Proxies

Unit Owners entitled to vote may do so by written proxy, which proxies shall be filed with the Secretary or other person responsible to record the proceedings of the meeting before being voted. Unless otherwise specifically limited by their terms, such proxies shall terminate automatically upon the final adjournment of the first meeting held on or after the date of the proxy, but shall remain in effect during any recess or temporary adjournment of the meeting. A proxy shall be void if not dated, signed and witnessed as required by the Condominium Act.

K. Conduct of Meeting

The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. The most recent edition of Roberts Rules of Order or such other rules of order as may be adopted by the Association shall govern the conduct of all meetings of the Association when not in conflict with the Declaration of Condominium, the Bylaws, any of the statutes of the District of Columbia or the Act.

ARTICLE II

BOARD OF DIRECTORS

A. Number and Qualifications

1. The affairs of the Association shall be governed by a Board of Directors composed of seven (7) persons who shall be Unit Owners. The number may be increased or reduced by a majority vote of Unit Owners present, in person or proxy, at an Association meeting. No Unit Owner shall be elected to serve on the Board of

Directors if payment by such Unit Owner of any financial obligation to the Association is delinquent more than forty-five (45) days, and the delinquent amount has not been paid at the time of such election.

B. Powers and Duties

The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and the Condominium and may do all such acts and things as are not prohibited by the Act, the Declaration or these Bylaws.

The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the enjoyment of the Condominium, provided such Rules and Regulations shall not be in conflict with the Act, the Declaration of Condominium or these Bylaws.

C. Other Duties

In addition to the duties imposed by these Bylaws or any resolution of the Association that may hereafter be adopted, the Board of Directors shall be responsible for the following:

1. To prepare an annual budget and submit the same to the Association at its annual meeting for approval, in the annual budget there shall be established for each Unit Owner an annual assessment for the Common Expenses.

2. To establish the means and methods of collecting such contribution from the Unit Owners and to establish the period of any installment payment of the annual assessment of the Common Expenses. Unless otherwise determined hereafter by the Board of Directors, the annual assessment of each Unit Owner to the Common Expenses adopted by the Association shall be in monthly installments, and each installment shall be due and payable in advance on the first (1st) day of each month for said month.

3. To collect from the Unit Owners any assessments levied by the Association; to deposit the proceeds thereof in a bank depository which shall be approved by the Board of Directors and to use the proceeds of such assessments to carry out the administration of the Condominium.

4. To provide for the care, upkeep and surveillance of the Condominium and to contract and pay for such care, upkeep and surveillance.

5. To employ for the Association a professional Managing Agent at a compensation to be established by the Board of Directors. The Board of Directors shall delegate to such Managing Agent the responsibility of providing for the care, upkeep and surveillance of the Condominium, including but not limited to, the hiring and dismissing of any personnel necessary for the maintenance and operation of the Condominium, and the collecting of all assessments from the Unit Owners, and may delegate such other duties as specified from time to time by the Board which are not prohibited by these Bylaws, the Declaration of Condominium, and the Act. Provided, however, that the Board of Directors shall not employ any new Managing Agent or undertake "Self-management" or otherwise fail to employ a professional Managing Agent without the prior written approval of all the holders of all first mortgages on the Condominium Units. Notice of intent to employ a new Managing Agent shall be given to each such mortgagee. Any such mortgagee who has not objected in writing to such employment within thirty (30) days of receipt of said notice shall be deemed to have consented.

6. To make and amend any Rules and Regulations governing the use of the Condominium or any part thereof.

7. To levy fines, after notice and an opportunity to be heard, against the Unit Owners for violations of the Rules and Regulations, and in the case of persistent violations of the Rules and Regulations by a Unit Owner, require such Unit Owner to post a bond to secure adherence thereto; provided, however, that no fine may be levied for more than Fifty Dollars ($50.00) for any violation, but for each day a violation continues after notice it shall be considered a separate violation. Collection of fines may be enforced against the Unit Owner in the same manner as provided herein for collection of assessments for Common Expenses.

8. To address leases of Units in the manner provided for hereinafter by these Bylaws.

9. To enforce by legal means the provisions of the Declaration of Condominium and these Bylaws, and to bring any proceeding authorized to be instituted on behalf of the Association in the Act.

10. To carry insurance against casualties and liabilities as hereinafter provided in the Bylaws and to pay the premium cost thereof.

11. To contract for and pay the cost of all services rendered to the Common Elements of the Condominium.

12. To keep books with detailed accounts in chronological order of the receipts and expenditures affecting the administration of the Condominium specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred. Both the said books and the vouchers accrediting the entries thereupon shall be available for examination by the Unit Owners, their duly authorized agents or attorneys, at general hours on working days at 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 good accounting practice, and the same shall be audited at least once a year by an auditor employed by the Board of Directors. The Board of Directors may delegate to the Managing Agent the responsibility of maintaining such books and records and the Managing Agent shall keep and maintain the same in the manner provided for in these Bylaws and the Act. Such books and records when kept by the Managing Agent shall nevertheless be available for examination by the Unit Owners or their duly authorized agents or attorneys in the manner hereinbefore provided, and such books and records, when kept by the Managing Agent, shall nevertheless be audited at least once a year by an auditor.

13. To give the holder of any first mortgage on any Unit written notification of any default by the Unit Owner of such Unit in the performance of such Unit Owner's obligations under the Condominium Instruments and which is not cured within thirty (30) days.

14. To own, convey, encumber, lease and otherwise deal with Units conveyed to the Association or purchased by it as the result of enforcement of the lien for Common Expenses or otherwise.

15. To grant, relocate or receive easements, leases, licenses or concessions through or over the Condominium.

16. To establish committees for the benefit of the Condominium and the Association to the extent that the Board deems it appropriate to establish such committees and to have such powers as may be granted to the Board and delegated to the Committees by the Board.

17. To impose on and receive from Unit Owners and/or residents any payment, fee, or charge (including, but not limited to, profit from the Association) for the use, rental, or operation of the Common Elements or for any service provided to Unit Owners.

18. To obtain loans by assigning the Association's right to future income, including the right to receive common expense assessments.

19. To cause additional improvements to be made as part of the Condominium.

20. To acquire, hold, encumber or convey in the name of the Association any right, title or interest to real or personal property.

21. To do such other things and acts not inconsistent with the Act, the Declaration of Condominium and these Bylaws.

D. Election and Term of Office

At an annual or special meeting of the Association, Directors shall be elected by the Unit Owners to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting.

E. Vacancies

Vacancies in the Board of Directors caused by any reason other than the removal of a Director by the vote of the Association shall be filled by a vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

F. Removal and Resignation of Directors

At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by majority vote of Unit Owners, in person or by proxy, and a successor may then and there be elected to fill the vacancy thus created. 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 he/she shall be given an opportunity to be heard at the meeting. A director shall be deemed to have resigned upon disposition of the Unit which made such person eligible to be a director.

G. Regular Meetings

Regular meetings of the Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director personally or by mail, via facsimile, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

H. Special Meetings

Special meetings of the Board of Directors may be called by the President or the Treasurer and must be called by the Secretary at the written request of three (3) or more Directors. Not less than two (2) days notice of the meeting shall be given personally or by mail, via facsimile, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

I. Waiver of Notice

Notice of a meeting need not be given to any Director if a written waiver of notice, executed by him/her before or after the

meeting, is filed with the records of the meeting. Attendance at a meeting in person or by telephone communication constitutes waiver or notice of that meeting. 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.

J. 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 shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, the majority of those present may temporarily adjourn or recess the meeting from time to time until a quorum is present. At any reconvened meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

K. Fidelity Bond

The Board of Directors shall require that all officers and employees handling or responsible for funds of the Association shall furnish adequate fidelity bonds. The premium on such bonds shall be deemed a Common Expense.

L. Fees

No Director or officer shall receive any fee or compensation for services performed by him/her unless such fee or compensation is fixed by a resolution adopted by the Association.

M. Indemnification

The Association shall indemnify any and all of its Directors, officers and committee members against any liability, including attorney's fees, actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they, or any of them, are made parties, or a party by reason of being or having been Directors, officers and committee members or former Directors, officers and committee members of the Association, except in relation to matters as to which any such Director, officer and committee member or former Director, officer and committee member or person shall be adjudged in such action, suit or proceeding to be liable for gross negligence or gross misconduct in the performance of duty. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled, under any bylaw, agreement or vote of the Association.

ARTICLE III

OFFICERS

A. Designation

There shall be four (4) principal officers: a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint such other officers or assistants as in their judgment may be necessary. The President and Vice President must be Directors and Unit Owners. Any other officer may be, but none need be a Director or a Unit Owner.

B. Election and Removal of Officers

Officers shall be elected by the Board of Directors at the organizational meeting of each new Board and such officers shall

hold office at the pleasure of the Board of Directors. Upon any affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his/her successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for that purpose.

C. President

The President shall be the Chief Executive Officer of the Association. He/she shall preside at all meetings of the Association and the Board of Directors, and he/she shall have the right to vote in all cases at such meetings. He/she shall have all of the general powers and duties which are usually vested in the office of a President of an unincorporated or incorporated association, including but not limited to, the power to appoint committees from among the Unit Owners from time to time as he/she may in his/her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

D. Vice President

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

E. Secretary

The Secretary shall record all proceedings of the Association in a book or series of books to be kept therefor, which book or books shall be kept at the principal office of the Capitol Park Two Condominium and shall be open at all reasonable times to the inspection of any Unit Owner. In the absence of the Secretary from any meeting of the Association, an Assistant Secretary, or if he/she is absent, a temporary secretary chosen at the meeting, shall record the proceedings thereof in the aforesaid book. The Secretary shall keep or cause to be kept the records of the Association, which shall contain the names and record addresses of all Unit Owners and the Individual Percentage Interest held by each. The Secretary shall keep a true record of the proceedings of all meetings of the Board of Directors and in his/her absence from any such meeting, a temporary Secretary chosen at the meeting shall record the proceedings thereof.

F. Treasurer

The Treasurer shall be the chief financial and accounting officer of the Association and shall be in charge of its funds and valuable papers, books of account and accounting records, and shall have such other duties and powers as may be designated from time to time by the Board of Directors or by the President. The Treasurer may delegate to the Managing Agent the responsibility for maintaining the fiscal books of account, provided regular periodic statements are submitted to him/her by such Managing Agent.

ARTICLE IV

FISCAL MANAGEMENT

Each Unit Owner shall be liable for the payment of a sum equal to his/her proportionate share of the sum required by the Association, as estimated by the Board of Directors, to meet its annual expenses, which expenses shall be determined, assessed and collected in the following manner:

A. Determination of Common Expenses

The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, copies of which shall be furnished to each Unit Owner and to the holder of any mortgage thereon at least fifteen (15) days before the annual meeting of the Association. Such a budget shall include, but not be limited to, the following items:

1. Common Expense Budget

(a) Maintenance, repair and replacement of the General Common Elements and Limited Common Elements.

(b) Administration of the Condominium.

(c) Landscaping.

(d) Maintenance of walks and paved areas.

(e) Casualty insurance.

(f) Liability insurance.

(g) Utility services affecting Common Elements.

(h) Management fees to the Managing Agent.

(i) Such other expenses as shall be estimated by the Board of Directors and necessary for the administration and operation of the Condominium, or which may be declared to be Common Expenses by the Act, the Declaration, these Bylaws, or by resolution of the Association.

2. Contingency Reserve Fund - To provide for all sums to be collected for emergencies and unforeseen contingencies.

3. Repair and Replacement Fund - To provide for all sums to be collected for alteration and improvement assessments and for reconstruction and repair assessments.

4. Sale or Lease Fund - Such amounts as may be required for the purchase by the Board of Directors on behalf of the Association pursuant to the terms of the Declaration or these Bylaws on any Unit which is to be sold at foreclosure or any other judicial sale.

B. Assessment for the Common Expenses

The Association shall annually fix and establish all assessments (based on estimates provided by the Board of Directors) required to meet the annual expenses of the Condominium, which assessments shall be paid by the respective Unit Owner in proportion to his/her respective Individual Percentage Interest as set forth in the Declaration. No Unit Owner shall be exempt from such Common Expenses by waiver of the use or enjoyment of the Common Elements, or by the abandonment of the Unit belonging to him/her.

Unless determined otherwise by the Board of Directors, the annual assessment for Common Expenses shall be paid in twelve (12) installments and shall be due and payable on the first day of each month to the Managing Agent or such other person designated by the Board of Directors.

C. Assessments Other than Common Expenses

Whenever the Association shall levy any assessment other than Common Expenses in accordance with the provisions of

the Act, the same shall be paid by the Unit Owner in the manner provided for in the resolution adopting such assessment, which resolution may declare the same to be a lien within the purview of the Act of the District of Columbia, and the collection of the same shall be the responsibility of the Board of Directors, acting through the Managing Agent, or by any other means not inconsistent with the Act and the Declaration.

D. Accounts

All sums collected by the Board of Directors on behalf of the Association may be commingled into a single fund and, if so, they shall be held for the Unit Owner in accordance with his/her Individual Percentage Interest as set forth in the Declaration. The Board of Directors may create such accounts in bank or savings and loan association depositories as it sees fit, and may create special depository accounts for special funds and accounts as it may determine from time to time.

E. Lien for Assessments

All assessments levied against a Unit Owner pursuant to these Bylaws shall constitute a lien against the Unit of such Unit Owner within the purview of the Act, which lien shall be effective from the date of the assessments. The Board of Directors shall have the authority to take all necessary action as may be required by the then laws of the District of Columbia to confirm the establishment of such lien.

F. Acceleration of Installments

Upon the default by any Unit Owner in the payment of any single installment, which default shall continue for ten (10) days beyond the due date of payment for such installment, then thereafter at the option of the Board of Directors, the then remaining total of the unpaid installments of such lien may be accelerated for payment 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 in the manner provided by Article X of these Bylaws.

G. Enforcement of Lien

Any lien may be foreclosed in the manner provided by the laws of the District of Columbia. During the pendency of any 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 thereover for such sale. The plaintiff in such proceeding shall have the right to the appointment of a receiver if available under the then laws of the District of Columbia. The Board of Directors, acting on behalf of the Association shall have the power to bid on the Unit at any foreclosure sale, and to acquire, hold, lease, mortgage and convey the same. Notwithstanding the above, a suit to recover a money judgment for unpaid contributions shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding pendency of any suit to recover a money judgment.

H. Supplementary Method of Enforcement of Lien

In addition to proceedings available at law or equity for the enforcement of the lien for Common Expenses, Association may require each Unit Owner to execute bonds conditioned upon the faithful performance and payment of the installments of the lien for Common Expenses and may secure the payment of such obligations in accordance with the provisions of the Act and the laws of the District of Columbia.

I. Priority of Lien

The lien established hereby and in accordance with the Act shall have preference over other assessments, liens, judgments or charges, except the following:

(1) General and special assessments for real estate and other taxes on the Condominium;

(2) The liens of any deeds of trust, mortgage instruments or encumbrances duly recorded on the Unit prior to the assessment of the lien thereon or duly recorded on said Unit after receipt of a written statement from the Board of Directors reflecting that payments on said lien were current as of the date of recordation of said deed of trust, mortgage instrument or encumbrance.

J. Obligation for a Payment of Liens Upon Sale or Conveyance of a Unit

1. Upon a voluntary sale or conveyance of a Unit, a purchaser Unit Owner and a seller Unit Owner of such Unit shall be jointly and severally liable for all unpaid assessments against said Unit in accordance with the provisions of the Act.

2. Upon an involuntary sale of a Unit, a purchaser Unit Owner of such a Unit shall not be liable for any unpaid assessments against said Unit which become due prior to his/her acquisition of the Unit in accordance with the provisions of the Act.

K. Subordination and Mortgage Protection

Notwithstanding any other provisions hereof to the contrary, the lien of any assessment levied pursuant to these Bylaws shall be subordinate to, and shall in no way affect the rights of the holder of any indebtedness secured by any recorded first mortgage (meaning a mortgage with priority over other mortgages) upon such interest made in good faith and for value received, provided, however, that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such Condominium Unit pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the purchaser at such sale of the Condominium Unit from liability for any assessments thereafter becoming due.

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

ARTICLE V

MAINTENANCE, REPAIR AND REPLACEMENT

A. Association

The Association, at its expense, shall be responsible for the maintenance, repair and replacement of:

1. All Common Elements as defined in the Declaration and designated on the Plat of Condominium.

2. Any Unit or part thereof which, in the discretion of the Board of Directors, is necessary to improve the appearance or value of the Condominium, provided, however, that no such maintenance, repair and replacement shall be undertaken without a resolution by the Board of Directors and not without reasonable notice to the said Unit Owner and further provided that the costs

thereof shall be assessed against said Unit on which such maintenance, repair or replacement is performed and when due and payable said assessment shall become a lien as provided for in Article IV of these Bylaws.

B. Condominium Unit Owner

Except for the maintenance requirements imposed herein upon the Association, each Unit Owner shall, at his/her expense and in manner not unduly disturbing to other Unit Owners, be responsible for the maintenance, repair and replacement of all items that serve his/her unit, including, but not limited to, the following: the air conditioning units, the outside awnings, if any; the interior surfaces of the walls; the floors and ceilings, kitchen and bathroom fixtures and equipment; and all other appliances including, but not limited to, refrigerators, ranges and those parts of the plumbing, lighting and heating systems which are wholly contained within his/her Unit and which serve only his/her Unit and no other. Further, each Unit Owner shall promptly report to the Association or its agent any defect or need for repairs, the responsibility for the remedying of which is with the Association.

C. Manner of Repair and Replacement

1. No Unit Owner shall make any alterations to any portion of the Condominium which are to be maintained by the Association or remove any part or portion thereof, nor shall any Unit Owner make any additions thereto or do anything which would or might jeopardize the safety or soundness of the structure; nor shall any Unit Owner make any major alteration to the water, gas, heating, electrical, plumbing or air conditioning systems of his/her Unit without first obtaining the written consent of the Board of Directors; nor shall any Unit Owner impair any easement without first obtaining the written consent of the Board of Directors and the consents of the other Unit Owners of the Unit for whose benefits such easements exist and their respective mortgagees.

2. In order to preserve the architectural appearance of the Condominium as the same was designed and constructed, no Unit Owner shall change, modify or alter in any way or manner whatsoever the design and appearance of any of the exterior surfaces, facades and elevations unless such change, modification or alteration is approved by the Association.

D. Association to Repair or Replace Unit Components.

Notwithstanding any provision of this Section or any provisions of the Association's Condominium Instruments, the Association may repair or replace specified unit components using common expense funds, if failure to make the repair or replacement would have a material adverse effect upon the health, safety, or welfare of the Unit Owners, the Common Elements, or the income and common expenses of the Association. The repair or replacement may be at the expense of the Association or, if a limited number of Units are affected, at the expense of the Unit Owners affected.

ARTICLE VI

INSURANCE

A. Insurance

The Board of Directors or its designee, acting on behalf of the Association, shall procure and maintain a multi-peril type policy covering the entire Condominium providing at least the following:

1. Casualty or physical damage coverage in an amount equal to one hundred percent (100%) of the insurable replacement cost value thereof (exclusive of excavations and foundations and unit improvements, betterments, additions and alterations made by Unit Owners) without deductions for depreciation as determined annually by the Board of Directors and the insurance company affording such coverage, such coverage to afford protection against:

(a) Loss or damage by fire and other hazards covered by the standard extended coverage endorsement together with coverage for Common Expenses with respect to Units and Common Elements during any period of repair or reconstruction; and

(b) Such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location and use as Capitol Park Two Condominium including, but not limited to, vandalism, malicious mischief, windstorm and water damage.

2. Public liability in such amounts and in such forms as shall be deemed appropriate by the Board of Directors which, however, in no event shall be less than $1,000,000 with respect to any individual, and $1,000,000 with respect to any one accident or occurrence.

3. Worker's Compensation policy to the extent necessary to comply with the requirements of any applicable law.

4. Such other insurance as the Board of Directors may determine to be in the best interest of the Association.

B. Insurance Trustee

All insurance policies purchased by the Board of Directors shall be for the benefit of all the Unit Owners collectively of the Condominium and their mortgagees, as their respective interests may appear, and shall provide that all proceeds payable as a result of casualty losses shall be paid to an Insurance Trustee (hereinafter referred to as "Trustee"). The Insurance Trustee shall not be liable for payment of premiums nor for the renewal of the policies nor for the sufficiency of coverage nor for the form or content of the policies nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes as stated herein, and for the benefit of the Association and the Unit Owners and their respective mortgagees in shares equal to the aforementioned individual percentage interest of each Unit Owner, but such shares need not be set forth upon the records of the Insurance Trustee. The Board of Directors shall have the right to designate the Insurance Trustee or act as Insurance Trustee, and all parties beneficially interested in such insurance coverage shall be bound thereby.

C. Limitations on Insurance Policies

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

1. All policies shall be written with a company or companies licensed to do business in the District of Columbia and holding a rating of A+AAAA or better by Best's Insurance Reports.

2. All policies shall be for the use and benefit of the Association, the individual Unit Owners of Capitol Park Two Condominium and their mortgagees as their respective interests shall appear.

3. All policies shall include a provision that the policy shall not be canceled or substantially modified without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all mortgagees of the Unit.

4. In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased by the individual Unit Owners or their mortgagees, as herein permitted, and any other "no other insurance" or similar clause in any policy obtained by the Association shall not exclude such policies from consideration.

5. All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Board of Directors, the Owner of any Condominium Unit and/or their respective agents, employees or invitees, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

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

7. All policies shall contain a Standard Mortgagee Clause customarily used in the District of Columbia, which clause shall name the first mortgagee. Further, such a Mortgagee Clause shall include a provision whereby said named first mortgagee shall be notified at least thirty (30) days in advance of any reduction or cancellation of the insurance policy.

8. All policies shall contain a provision whereby all insurance drafts, notices, policies and invoices are to be delivered directly to the Insurance Trustee with notice of such delivery to be issued to all other mortgagees.

D. Separate Insurance

The Unit Owner of any Unit, including the holder of any mortgage thereon, may obtain additional insurance at his/her own expense. Such insurance may be written by the same insurance company as that purchased by the Board of Directors pursuant to this Article or shall provide that it shall be without contribution as against the same. Further, such additional insurance shall contain the same waiver of subrogation as that set forth in Section C.5. above. It is recommended that each Unit Owner of a Unit obtain, in addition to the insurance above provided to be obtained by the Board of Directors an insurance policy to insure against loss or damage to personal property used or incidental to the occupancy of the Unit including, but not limited to, additional living expense, vandalism or malicious mischief, theft and personal liability.

ARTICLE VII

CASUALTY DAMAGE-- RECONSTRUCTION OR REPAIR

A. Use of Insurance Proceeds

In the event of damage or destruction by fire or other casualty, the Condominium shall be promptly repaired or reconstructed in substantial conformity with the original plans of the Condominium with the proceeds of insurance available for that purpose, if any.

B. Proceeds Insufficient

In the event that the proceeds of insurance are not sufficient to repair damage or destruction by fire or other casualty, or in the event such damage or destruction is caused by any casualty not herein required to be insured against, then the repair or reconstruction of the damaged Common Elements shall be accomplished promptly by the Association at its Common Expense, and the repair or reconstruction of any Condominium Unit shall be accomplished promptly by the Association at the expense of the Unit Owner of the affected Unit. The ratable share of the expense of such repairs or reconstruction of the Common Elements may be assessed against all Unit Owners in proportion to their Individual Percentage Interest and the lien for the same shall have all the priorities provided for in Article IV of these Bylaws.

C. Restoration Not Required

In the event more than two-thirds (2/3) of the Units are damaged or destroyed by fire or other casualty and unless all Unit Owners promptly resolve to proceed with repair or reconstruction, then and in that event the Condominium shall be deemed to be owned in common by the Unit Owners of all of the Units in proportion to their respective Individual Percentage Interest, and the Condominium shall be subject to an action for partition at the suit of the Unit Owner of any Unit or the holder of any lien thereon, in which event the net proceeds of sale, together with the net proceeds of any insurance paid to the Trustee, shall be considered as one fund and shall be divided among the Unit Owners of all the Units in proportion to their respective individual Percentage Interest after first paying out of the share of the Unit Owner of any Unit, to the extent such share is sufficient for the purpose, all liens upon said Unit.

D. Premiums and Deductibles

The premiums of all insurance policies purchased by the Board of Directors shall be deemed to be a Common Expense. The Association shall pay the deductible for loss or damage in which the event causing loss or damage initially occurred in or to the Common Elements. The Association shall not pay the deductible for loss or damage arising from an event which initially occurred in or to a Unit. In such case, the Unit Owner shall be responsible for the deductible. The Managing Agent, as provided by the Board of Directors' Resolution, shall determine where the event initially occurred that caused the loss or damage, and who is responsible for the deductible. If a Unit Owner disagrees with the Managing Agent's decision, the Unit Owner may appeal the matter to the Board of Directors.

ARTICLE VIII

SEPARATE TAXATION

Property taxes and special assessments levied by the District of Columbia or any other taxing authority shall be assessed, levied and collected against the individual Units in conformity with the Individual Percentage Interest (as provided for in the Declaration) and not upon the Condominium as a whole and such taxes and special assessments shall constitute a lien upon the Unit so assessed and upon no other Units or parts thereof.

ARTICLE IX

OBLIGATIONS OF THE UNIT OWNERS

A. Assessments

All Unit Owners are obligated to pay all assessments imposed by the Association.

B. Maintenance and Repair

Every Unit Owner shall promptly perform all maintenance and repair work required to be performed by him/her in accordance with the Condominium Bylaws and the Condominium Act.

C. Mortgage of Units

A Unit Owner who mortgages his/her Unit shall notify the Board of Directors of the name and address of his/her mortgagee and shall file a conformed copy of the note and mortgage with the Board of Directors; the Board of Directors shall maintain such information in a book entitled "Mortgages of Units." The Board of Directors shall promptly notify, in writing, the mortgagee of any unpaid assessments or other defaults which have not been cured within thirty (30) days by a Unit Owner of such mortgaged Unit.

D. Restrictions

In order to provide for a community of congenial residents and to provide for the protection of the value of the Units, the use of the Condominium and the lease or rental of any Unit by any Unit Owner shall be subject to the following provisions.

1. Use Restrictions

(a) Each Unit shall be used only for residential purposes in accordance with the laws and regulations of the District of Columbia and the provisions of the Condominium Instruments.

(b) No Unit Owner shall permit any nuisances to occur or take place within his/her Unit, nor shall he/she permit any use or practice which is the source of annoyance to the other Unit Owners or which interferes with the peaceful possession or proper use of the Condominium by the Unit Owners.

2. Leasing Restrictions

(a) A fully conformed copy of the lease or renewal thereof shall be delivered to the Board of Directors within 7 days after execution; such lease shall be consistent with the provisions of the Condominium Instruments, as the same may be amended from time to time, and with the Rules and Regulations of the Condominium; and Board of Directors has the power to terminate such lease or to bring summary proceedings to evict the tenant in the name of the lessor thereunder, in the event of a default by the tenant in the performance of such lease. The leasing of any Unit shall not release the Unit Owner from any obligation under the Condominium Instruments. No portion of any Unit (other than the entire Unit) may be leased.

(b) No Unit Owner shall lease his/her Unit unless and until he/she shall have paid in full to the Board of Directors all unpaid Common Charges theretofore assessed by the Association against his/her Unit.

3. Exemption from Restrictions

Notwithstanding anything to the contrary contained herein, any holder of a mortgage which comes into possession of the Unit pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure, shall be exempt from any restrictions on the rental of such Unit.

ARTICLE X

NOTICE

Unless otherwise provided, any notice, bill, statement or communication which the Association, the Board of Directors or Managing Agent may desire or be required to give to any Unit Owner, must be in writing and shall be deemed sufficiently given when delivered to the Unit Owner personally or when sent by regular, registered or certified mail addressed to the Unit Owner at the address of the Unit of such Unit Owner, or at any other address which the Unit Owner shall designate in writing and which he/she shall file with the Secretary, or when left at the Unit addressed to the Unit Owner. Any notice by the Unit Owner to the Association, the Board of Directors or the Managing Agent, as the case may be, must be in writing and must be sent by regular, registered or certified mail addressed to the Association, the Board of Directors, the Managing Agent, as the case may be, at or at such other address as the Association or the Board of Directors shall designate by written notice served in the manner aforesaid upon the Unit Owner.

ARTICLE XI

AMENDMENTS

A. Amendments

These Bylaws may be amended from time to time in the manner hereafter provided. However, amendment to these Bylaws shall be effective only after thirty (30) days prior written notice to the holders of all first mortgages on the Units in the Condominium, and only upon the recordation among the land records of the District of Columbia of an amendment to the Declaration, setting forth such amendments to these Bylaws.

B. Proposal

An amendment may be proposed by a majority vote of the Board of Directors at a duly constituted meeting thereof or by a petition signed by Unit Owners representing at least fifty-one percent (51%) of the total value of the Condominium and duly filed with the Secretary of the Association. Upon the filing of such petition or upon the adoption of a resolution to that effect by the Board of Directors, then the President of the Association shall cause a special meeting of the Association to be convened in the manner provided for in these Bylaws for the purpose of considering the proposed amendment.

C. Notice

Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.

D. Adoption

A resolution adopting a proposed amendment must receive an affirmative vote of Unit Owners representing two-thirds (2/3) of the total value of the Condominium, except that any amendment of this Section of Article XI shall not be amended except by an affirmative vote of all of the Unit Owners.

ARTICLE XII

COMPLIANCE AND DEFAULT

A. Relief

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

1. Legal Proceedings. Failure to comply with any of the terms of the Act, the Condominium Instruments and the Rules and Regulations shall be grounds for relief which may include without limiting the same, an action to recover any sums due for money damages, injunctive relief, fines, sanctions, foreclosure or power of sale of the lien for payment of all assessments, any other relief provided for in these Bylaws, the Act or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the Manager or Managing Agent, or, if appropriate, by an aggrieved Unit Owner and shall not constitute an election of remedies.

2. Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his/her act, neglect or carelessness, or the act, neglect or carelessness of any member of his/her family or his/her 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. Any costs, including, without limitation, legal fees, incurred as a result of a failure to comply with the Act, the Condominium Instruments and Rules and Regulations by any Unit Owner (or such Unit Owner's guests, invitees, tenants, agents or employees) may be assessed against such Unit or Unit Owner.

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

4. No Waiver of Rights. The failure of the Association, the Board of Directors or any Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Instruments or the Rules and Regulations shall not constitute a waiver of the right of the Association, the Board of Directors or any Unit Owner to enforce any right, provision, covenant or condition of the Condominium Instruments or the Rules and Regulations in the future. All rights, remedies and privileges granted to the Association, Board of Directors or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Instruments or Rules and Regulations shall be deemed to be cumulative. The exercise of any one or more of them shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Condominium Instruments, the Rules and Resolutions, at law or in equity.

5. Interest. In the event of a default by any Unit Owner which continues for a period in excess of 15 days, such Unit Owner shall be obligated to pay interest on the amounts due at

the rate of ten percent (10%) or a rate not greater than the maximum rate permitted to be charged in the District of Columbia to natural persons on first mortgage loans at the time such assessment or installment became past due.

6. 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 Bylaw contained herein, or the breach of any provision of the Condominium Instruments shall give the Board of Directors the right, after notice and an opportunity to be heard, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists and 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; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

B. Lien for Contributions

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

2. 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 10 days after written notice of such default has been sent to the Unit Owner, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board of Directors, and the then balance owing may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner by the Board of Directors or Managing Agent or Manager.

3. The lien for assessments may be enforced and foreclosed in the manner provided by the laws of the District of Columbia by power of sale or action brought in the name of the Board of Directors, acting on behalf of the Association. During the pendency of such action 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 proceedings shall have the right to the appointment of a receiver, if available under the then laws of the District of Columbia.

ARTICLE XIII

RESALE CERTIFICATES

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

1. The Board of Directors or a duly designated agent or the Managing Agent, upon written request of any Unit Owner, shall furnish to such Unit Owner the resale information prescribed by the Act.

2. The Board of Directors may impose a reasonable fee to furnish all the information required in accordance with paragraph A hereof, and payment thereof shall be a prerequisite to the issuance of any such statement.

ARTICLE XIV

MISCELLANEOUS

A. Definitions

1. Declaration. "Declaration" as used herein means that document that established the Condominium regime made by Peerage Capitol Park Two, Inc., which was the developer of the Condominium.

2. Mortgage. "Mortgage" as used herein shall mean and include the deed of trust.

3. "Mortgagee" or "Holder of Mortgage" as used herein shall mean and include the party secured by any deed of trust or any beneficiary therefor.

4. Other Definitions. All other terms used herein shall have the same meaning as they are defined to have in the Declaration or in the Act of the District of Columbia unless it is plainly evident from the context that a different meaning is intended.

B. Conflict

These Bylaws are subordinate and subject to all provisions of the Declaration and to the provisions of the Act of the District of Columbia. In the event of any conflict between these Bylaws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between the aforesaid Declaration and the Act, the provisions of said Act shall control.

C. Captions

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

D. Severability

In the event any provision or provisions of these Bylaws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

E. Waiver

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

IN WITNESS WHEREOF, the undersigned officers of Capitol Park Two Condominium Association hereby certify the foregoing Amended and Restated Bylaws were approved by the affirmative vote of Unit Owners representing at least two-thirds (2/3) of the total votes (Percentage Interests) in the Association at a special meeting of the Association duly called for such purpose.

Attest:

CAPITOL PARK TWO CONDOMINIUM ASSOCIATION

John W. Hager, Secretary

By: Linda Delk, President

0107900037

STATE OF Maryland
~~DISTRICT OF COLUMBIA~~, ss:

I hereby certify that on this 30th day of January, 1997, before me, the subscriber, a Notary Public of ~~the District of Columbia~~ Maryland, personally appeared Linda Delk, as President of Capitol Park Two Condominium Association, known to me (or satisfactorily proven) to be the person who executed the foregoing and acknowledged the same to be the act and deed of the Association.

Barbara Q. Shea
Notary Public

My Commission Expires: BARBARA Q. SHEA NOTARY PUBLIC STATE OF MARYLAND My Commission Expires October 4, 2000

LEGAL DESCRIPTION

Lot numbered One Hundred Five (105) in Square numbered Five Hundred Forty (540) in a subdivision made by District of Columbia Redevelopment Land Agency, as per plat recorded in Liber 138 at folio 33 in the Office of the Surveyor for the District of Columbia.

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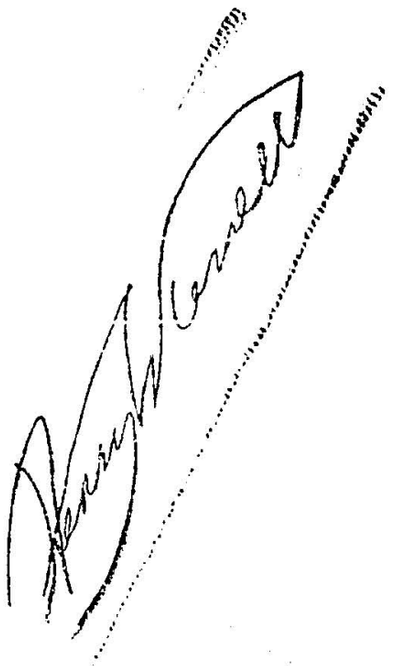

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