

**Prepared by and return to:**

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**Grantor:** Vantage Point East at Leisure World, A Condominium**Consideration:** None

**AMENDED AND RESTATED BYLAWS OF  
VANTAGE POINT EAST AT LEISURE WORLD, A CONDOMINIUM**

**THESE AMENDED AND RESTATED BYLAWS OF VANTAGE POINT EAST AT LEISURE WORLD, A CONDOMINIUM** (the "Amendment") is made as of this 22<sup>nd</sup> day of January, 2025 by The Council of Unit Owners of Vantage Point East at Leisure World, A Condominium, a Maryland unincorporated condominium association (the "Council") pursuant to Article 10, Section 10.1 of the Bylaws of the Council and Section 11-104(e) of the Maryland Condominium Act, as amended (the "Act").

**R E C I T A L S**

**WHEREAS**, the Declaration of Vantage Point East at Leisure World, A Condominium (the "Condominium") was recorded on September 11, 2002 among the Land Records of Montgomery County, Maryland (the "Land Records") in Liber 21766 at Folio 708, *et seq.*, (the "Declaration", which term shall include any and all subsequent corrections, modifications, and supplements thereof as may have been recorded prior hereto among the Land Records); and

**WHEREAS**, the Bylaws of the Condominium were recorded as Exhibit B to the Declaration, as amended by that Amendment recorded on August 11, 2004 among the Land Records in Liber 28019 at Folio 1117, *et seq.*, as further amended by that Amendment recorded on January 18, 2012 among the Land Records in Liber 43073 at Folio 239, *et seq.*, as further amended by that Amendment recorded on February 17, 2017 in Liber 53843 at Folio 94, *et. seq.*, as further amended by that Amendment recorded on April 28, 2017 in Liber 54209 at Folio 201, *et. seq.*, as further amended by that Amended recorded on December 22, 2021 among the Land Records at Liber 64888 at Folio 435, *et seq.* (collectively, the "Bylaws", which term shall include any and all subsequent corrections, modifications, and supplements thereof as may have been recorded prior hereto among the Land Records); and

**WHEREAS**, Article 10, Section 10.1 of the Bylaws provides that the Bylaws may not be modified or amended except as provided in Section 11-104(e) of the Act and that all amendments to the Bylaws shall be prepared and recorded by the Secretary; and

**WHEREAS**, Section 11-104(e) of the Act provides that, notwithstanding the provisions of the Bylaws, the Bylaws may be amended by the affirmative vote of unit owners in good standing having at least sixty percent (60%) of the votes in the Council, or by a lower percentage if required in the Bylaws; and

**WHEREAS**, at a duly called meeting held on October 22, 2024, the Board of Directors proposed a set of Amended and Restated Bylaws; and

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to  
for

**WHEREAS**, as of October 22, 2024, unit owners in good standing representing at least sixty percent (60%) of the total authorized votes in the Council ("Requisite Majority") voted to approve the attached Amended and Restated Bylaws and such Requisite Majority of unit owners have indicated their approval as evidenced by their signatures on written ratification forms or ballots maintained in the books and records of the Council; and

**WHEREAS**, the Secretary of the Council, as the person specified in the Article 4, Section 4.6 and Article 10, Section 10.1 of the Bylaws, certifies that those unit owners composing the Requisite Majority have indicated their approval of the Amended and Restated Bylaws herein, as evidenced by the Secretary's signature below; and

**WHEREAS**, pursuant to Article 8, Section 8.3 of the Bylaws and Section 11-104(e)(3) of the Act, all first mortgagees of record were provided with notice of the amendments on November 14, 2024 by certified mail, return receipt requested, and are deemed to have consented to the amendments as of January 16, 2025.

**NOW, THEREFORE**, The Council of Unit Owners of Vantage Point East at Leisure World, a Condominium, by its Secretary, with the approval of the Requisite Majority of unit owners, does hereby amend and restate the Bylaws, as attached, which Amended and Restated Bylaws shall be effective upon recordation of this instrument among the Land Records.

The recitals herein are incorporated by reference. Any capitalized terms used herein, but are not otherwise defined, shall have the meaning set forth in the Bylaws.

**THE COUNCIL OF UNIT OWNERS OF VANTAGE  
POINT EAST AT LEISURE WORLD, A  
CONDOMINIUM**

By: *Myron Baum*  
Name: Myron Baum  
Title: Secretary

STATE OF MARYLAND :  
CITY/COUNTY OF MONTGOMERY, to-wit :

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that, Myron Baum, Secretary of The Council of Unit Owners of Vantage Point East at Leisure World, A Condominium, whose name is signed to the foregoing instrument, has acknowledged the same before me in the aforesaid jurisdiction, as an authorized officer of the Council.

GIVEN under my hand and seal on this 22<sup>nd</sup> day of January, 2025

*Cristian M. Juarez*  
Notary Public

My commission expires: 6/12/2025

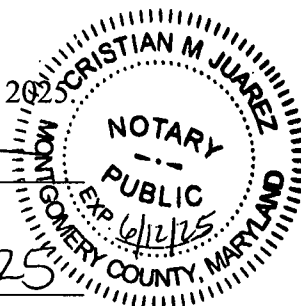


EXHIBIT B: BYLAWS  
OF  
VANTAGE POINT EAST AT LEISURE WORLD, A CONDOMINIUM

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**VANTAGE POINT EAST AT LEISURE WORLD, A CONDOMINIUM  
BYLAWS**

**PROPOSED AMENDED AND RESTATED**

**Article 1 General Provisions**

Section 1.1 Applicability. These Bylaws provide for the governance of the Vantage Point East at Leisure World, A Condominium (Condominium) pursuant to the requirements of Section 11-104 of the Condominium Act, as amended. The Property, located in Montgomery County, Maryland and more particularly described in the Declaration, has been submitted to the provisions of the Condominium Act by recordation simultaneously herewith of the Declaration and Condominium Plats among the Land Records of Montgomery County, Maryland.

Section 1.2 Office. The office of the condominium Association, the Council of Unit Owners, and the Board of Directors shall be located at the Property or at such other place as may be designated from time to time by the Board of Directors. The mailing address of the Council of Unit Owners is 3200 N Leisure World Blvd, Silver Spring, Maryland 20906.

Section 1.3 Definitions. Terms used herein without definition shall have the meanings specified for such terms in the Declaration to which these Bylaws are attached as Exhibit B, or if not defined therein, the meanings specified for such terms in section 11-101 of the Condominium Act. The following terms have the following meanings in the Condominium Instruments:

- (A) "Board of Directors" or "Board" means the executive body established pursuant to Article 3.
- (B) "Common Element Interest" means the number assigned to each unit by Exhibit C to the Declaration which establishes each unit's undivided interest in the common elements, common expenses and profits and votes in the Council of Unit Owners.
- (C) "Condominium Instruments" shall be a collective term referring to the Declaration, Bylaws, and Condominium Plats recorded pursuant to the Condominium Act. Any exhibit, schedule or certification accompanying a Condominium Instrument and recorded simultaneously therewith shall be deemed an integral part of that Condominium Instrument. Any amendment or certification of any Condominium Instrument shall from the time of the recordation of such amendment or certification be deemed an integral part of the affected Condominium Instrument.
- (D) "Condominium Plats" means the documents, reduced copies of which are attached as Exhibit D to the Declaration, which show the location of the building and improvements on the land, the location of the units in the building and the elevations and boundaries of the units. The Condominium Plats are also recorded separately among the Land Records of Montgomery County, Maryland and constitute the Condominium Plat, pursuant to Section 11-105 of the Condominium Act.
- (E) "Council of Unit Owners" or "Association" means the unincorporated, nonprofit association of all the Unit Owners owning condominium units in the Condominium.
- (F) "Declarant" shall have the meaning set forth in Section 1.1 of the Declaration.
- (G) "Leisure World of Maryland Trust" means the Trust responsible for the maintenance, operation and control of various facilities within the Rossmoor Community pursuant to



the Trust Agreements recorded on March 15, 1966 at Liber 3479, Folio 396 and May 3, 1979 at Liber 5315, Folio 249 among the Land Records of Montgomery County, Maryland, and any amendments thereto.

- (H) "Limited Common Expenses" means expenses separately assessed against more than one (1) but less than all of the condominium units generally in accordance with the use of the services, as permitted by subsection 11-110(b)(2) of the Condominium Act and Section 5.1. Except where the context requires otherwise, common expenses shall include Limited Common Expenses.
- (I) "Majority Vote" means a simple majority (more than fifty percent (50%) of the votes actually cast in person or by proxy at a duly held meeting at which a quorum is present. Any specified percentage vote means that percentage vote with respect to the votes actually cast in person or by proxy at a duly held meeting at which a quorum is present. Any specified percentage approval or vote of the Mortgagees means approval or a vote by the Mortgagees of condominium units to which such percentage of the total number of votes appertain.
- (J) "Mortgagee" means an institutional lender (one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds, or business trusts including but not limited to real estate investment trusts, any other lender regularly engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such lender, or any combination of any of the foregoing entities) holding a first mortgage or first deed of trust ("Mortgage") encumbering a unit in the Condominium. For purposes of Article 8 and Article 11 of the Declaration only, when any right is to be given to a Mortgagee, the Board shall also give such right to the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA"), the Department of Veterans Affairs, the Federal Housing Administration, the Farmer's Home Administration, the Government National Mortgage Association and any other public or private secondary mortgage market entity participating in purchasing or guarantying Mortgages if the Board has notice of such participation.
- (K) "Officer" means any person holding office pursuant to Article 4 but shall not mean members of the Board unless such directors are also officers pursuant to Article 4.
- (L) "Reserved Common Element" means a common element to which the Board has granted a revocable license for exclusive use by less than all of the Unit Owners.
- (M) "Rossmoor Community", commonly referred to as Leisure World of Maryland, means the planned, age restricted, community in Montgomery County, Maryland, in which the Condominium is located, which consists of various housing developments and certain common facilities controlled and maintained pursuant to the Leisure World of Maryland Trust.

#### Section 1.4 Notices and Other Communications

- (A) All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if hand delivered or sent

by United States mail, postage prepaid, or if notification is of a default or lien, sent by registered or certified United States mail, return receipt requested, postage prepaid.

- (B) Such communications shall be addressed to: 1) if to a Unit Owner, the address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, the address of the unit of such Unit Owner; or 2) if to the Council of Unit Owners, the Board or the Managing Agent, the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a unit is owned by more than one person, each such person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

#### Section 1.5 Use of Technology.

- (A) Notwithstanding the provisions in Section 1.4, notices to a Unit Owner and information may be delivered to a Unit Owner by electronic means in accordance with Section 11-139.1 of the Condominium Act which requires prior written authorization by the Unit Owner.
- (B) The Board may determine, in its sole discretion, that meetings of the Council of Unit Owners, the Board, and Committees may be held virtually and/or at a place, in accordance with the Condominium Act and/or Maryland law.

### Article 2 **Council of Unit Owners**

Section 2.1 Composition. The Council of Unit Owners shall consist of all of the Unit Owners. The name of the Council of Unit Owners shall be the Council of Unit Owners of Vantage Point East at Leisure World, A Condominium. For all purposes the Council of Unit Owners shall act merely as an agent for the Unit Owners as a group. The Council of Unit Owners shall have the responsibility for administering the Condominium, establishing the means and methods of collecting assessments and charges, arranging for the management of the Condominium and performing all of the other acts that may be required or permitted to be performed by the Association by the Condominium Act and the Declaration. Except as to those matters which the Condominium Act specifically requires to be performed by a vote of Unit Owners, the foregoing responsibilities shall be performed by the Board or Managing Agent as more particularly set forth in Article 3. The Association shall be an unincorporated entity.

Section 2.2 Annual Meetings. The annual meetings of the Association shall be held on weekdays at least forty-five (45) days before the beginning of each fiscal year. At such annual meetings the Board shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 3.4.

Section 2.3 Place of Meetings. Meetings of the Council of Unit Owners shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Board.

Section 2.4 Special Meetings. The President shall call a special meeting of the Council of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by Unit Owners of not less than seventy-five percent (75%) of the aggregate Common Element Interests. The notice of any special meeting shall state the time, place and purpose. No business shall be transacted at a special meeting except as stated in the notice.



Section 2.5 Notice of Meetings. The Secretary shall provide to each Unit Owner a notice of each annual or special meeting of the Council of Unit Owners at least ten (10) but not more than ninety (90) days, prior to such meeting, stating the time, place and purpose. The giving of a notice of meeting in the manner provided in this Section and Sections 1.4 and 1.5 of the Bylaws shall be considered service of notice.

Section 2.6 Quorum and Adjournment of Meetings. Except as otherwise provided in these Bylaws, the presence in person or by proxy or absentee ballot of twenty-five percent (25%) or more of the Unit Owners shall constitute a quorum at all meetings of the Council of Unit Owners. If at any meeting of the Council of Unit Owners a quorum is not present, Unit Owners of a majority of the Common Element Interests who are present at such meeting in person or by proxy may adjourn the meeting to a time not less than fifteen (15) days after the time the original meeting was called and shall comply with section 5-206 of the Corporations and Associations Article of the Annotated Code of Maryland and section 11-109(c)(8) of the Condominium Act.

Section 2.7 Order of Business. The order of business at all meetings of the Council of Unit Owners shall be, except as otherwise provided in the notice of a meeting, as follows: 1) proof of quorum; 2) proof of notice of meeting; 3) reading of minutes of preceding meeting; 4) report of the Board; 5) reports of committees; 6) election or appointment of inspectors of election (when so required); 7) election of members of the Board (when so required); 8) unfinished business; and 9) new business. Balloting for election of Directors may commence at any time.

Section 2.8 Conduct of Meetings. The President shall preside over all meetings of the Council of Unit Owners and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting. The President may appoint a person to serve as parliamentarian at any meeting of the Council of Unit Owners. The current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Council of Unit Owners when not in conflict with the Condominium Act or the Condominium Instruments. Inspectors of Election, appointed by the President or other Officer presiding over the meeting, shall supervise the tallying of all votes, and the names and addresses of the inspectors shall be recorded in the minutes of the meeting.

Section 2.9 Voting.

- (A) Voting at all meetings of the Council of Unit Owners shall be on a percentage basis and the percentage of the vote to which each Unit Owner is entitled shall be the Common Element Interest assigned to such Unit Owner's unit in the Declaration. Where the ownership of a unit is in the name of more than one (1) person, the person who shall be entitled to cast the vote of such unit shall be the person named in a certificate executed by all of the owners of such unit and filed with the Secretary or, in the absence of such named person from the meeting, the person who shall be entitled to cast the vote of such unit shall be the person owning such unit who is present. If more than one (1) person owning such unit is present, then such vote shall be cast in accordance with their unanimous agreement, or as provided in Section 2-508(c) of the Corporations and Associations Article of the Annotated Code of Maryland. Such certificate shall be valid

until revoked by a subsequent certificate similarly executed. Wherever the approval or disapproval of a Unit Owner is required by the Condominium Act or the Condominium Instruments, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such unit at any meeting of the Council of Unit Owners. There shall be no cumulative voting.

- (B) Except where a greater number is required by the Condominium Act or the Condominium Instruments, a Majority Vote is required to adopt decisions at any meeting of the Council of Unit Owners. Except where a greater number is required by the Condominium Act or the Condominium Instruments, a Plurality Vote is required to elect Directors at any meeting of the Council of Unit Owners. "Plurality Vote" means one more vote that one candidate receives over another candidate with the next highest number of votes.
- (C) No Unit Owner may vote at any meeting of the Council of Unit Owners if payment of the assessment on the unit is delinquent more than sixty (60) days or the Association has recorded a lien against the unit and the amount necessary to bring the account current has not been paid at the time of such meeting or election.

Section 2.10 Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner, or such Unit Owner's Mortgagee, or in the case of a non-resident Unit Owner, the tenant of such Unit Owner's unit, or such Unit Owner's attorney or management agent. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from any of the persons owning such unit. Except with respect to proxies in favor of a Tenant or Mortgagee, no proxy shall in any event be valid for a period in excess of one hundred and eighty (180) days after its execution. Only instructed proxies may be cast for the election of the Board; uninstructed proxies may be counted for quorum purposes and may be cast other than for the election of the Board.

Section 2.11 Absentee Ballots. Absentee ballots may be utilized for purposes of: 1) establishing a quorum pursuant to Section 2.6; 2) voting for Board nominees listed on the absentee ballot or written in by the absentee Unit Owner; or 3) voting for any other matter as set forth on the absentee ballot. Any unsigned absentee ballot, to be valid, shall be received in a signed, sealed envelope bearing the identification of the dwelling unit on the outside (for the purpose of assigning the proportional voting percent for the unit) and shall be opened only at a meeting at which all candidates or their delegates have a reasonable opportunity to be present. Voting may be conducted by electronic means in accordance with Section 11-139.2 of the Condominium Act.

Section 2.12 Open Meetings. All meetings of the Association shall be open to all Unit Owners or occupants of units or their agents and other interested parties at the discretion of the Board or as required by law.

**Article 3 Board of Directors**

**Section 3.1 Powers and Duties.** The Board shall have all of the powers and duties necessary for the administration of the affairs of the Council of Unit Owners including issuing procedures and resolutions, and may do all such acts and things as are not by the Condominium Act or the Condominium Instruments required to be exercised and done by the Association. The Board shall have the power from time to time to make and amend any rules deemed necessary for the benefit and enjoyment of the Condominium in accordance with Section 11-111 of the Condominium Act and Section 5.8(B) provided that such rules shall not be in conflict with the Condominium Act or the Condominium Instruments. The Board shall delegate to one (1) of its members, or to a person employed for such purpose, the authority to act on behalf of the Board on such matters relating to the duties of the Managing Agent (as defined in Section 3.2), if any, which may arise between meetings of the Board as the Board deems appropriate. In addition to the powers and duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board shall on behalf of the Association:

- (A) Prepare and adopt an annual budget, in which there shall be expressed the assessments of each Unit Owner for the common expenses.
- (B) Make assessments against Unit Owners to defray the costs and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners, and establish the period of the installment payment of the annual assessment for common expenses.
- (C) Provide for the operation, care, upkeep, and maintenance of all of the Property and services of the Condominium.
- (D) Designate, hire, and dismiss the personnel necessary for the maintenance, operation, repair, and replacement of the common elements, and provide services for the Property; and, where appropriate, provide for the compensation of such personnel, and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of the Property.
- (E) Collect the assessments against the Unit Owners, deposit the proceeds in bank depositories designated by the Board and use the proceeds to carry out the administration of the Property in accordance with the Condominium Instruments and the governing documents of the Leisure World of Maryland Trust.
- (F) Open bank accounts on behalf of the Council of Unit Owners and designate the signatories thereon.
- (G) Make or contract for the making of repairs, additions, improvements to or alterations of the Property, and repairs to and restoration of the Property, in accordance with these Bylaws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.
- (H) Enforce by legal means the provisions of the Declaration, these Bylaws and the Rules, act on behalf of the Unit Owners with respect to all matters arising out of any eminent domain proceeding and notify the Unit Owners of any litigation against the Council of

Unit Owners involving a claim in excess of ten percent (10%) of the amount of the annual budget.

- (I) Obtain and carry insurance against casualties and liabilities, as provided in Article 6, pay the premiums, and adjust and settle any claims.
- (J) Pay the cost of all authorized services rendered to the Council of Unit Owners and not billed to Unit Owners of individual units or otherwise provided for in Sections 5.1 and 5.2.
- (K) In accordance with section 11-116 of the Condominium Act, keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Property and the administration of the Condominium, specifying the expenses of maintenance and repair of the common elements and any other expenses incurred. Such books and records accrediting the entries therein shall be available for examination by the Unit Owners, their attorneys, accountants, Mortgagees and authorized agents during general business hours on business days at the times and in the manner set and announced by the Board for the general knowledge of the Unit Owners. All books and records shall be kept in accordance with generally accepted accounting principles, and the same shall be audited at least once each year by an independent auditor retained by the Board who shall not be a resident of the Condominium or a Unit Owner. The cost of such audit shall be a common expense.
- (L) Notify a Mortgagee of any default hereunder, by the Unit Owner of the unit subject to such Mortgage, in the event such default continues for a period exceeding sixty (60) days.
- (M) Borrow money on behalf of the Association when required in connection with any one (1) instance relating to the operation, care, upkeep and maintenance of the common elements; provided, that, except for funding the reserves, the consent of at least two-thirds (2/3) in number and in Common Element Interest of all Unit Owners, obtained either in writing or at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to borrow any sum in excess of one percent (1%) of the total annual assessment for common expenses for that fiscal year. If any sum borrowed by the Board on behalf of the Association pursuant to the authority contained in this subsection is not repaid by the Council of Unit Owners, a Unit Owner who pays to the creditor a percentage of the total amount due equal to such Unit Owner's Common Element Interest in the Condominium shall be entitled to obtain from the creditor a release of any judgment or other lien which such creditor shall have filed or shall have the right to file against such Unit Owner's condominium unit, and the Association shall not be entitled to assess the unit for payment of the remaining amount due such creditor.
- (N) Acquire, hold and dispose of condominium units, and mortgage the same, if such expenditures and hypothecations are included in the budget adopted by the Council of Unit Owners.

- (O) In its sole discretion, from time to time to designate certain common elements as Reserved Common Elements and impose such restrictions and conditions on their use as the Board deems appropriate.
- (P) Upon receipt of such payment as may be established by the Board in compliance with Section 11-135(c)(1) of the Condominium Act, furnish the statement required by Section 11-135(c)(1) of the Condominium Act within twenty (20) days after the receipt of a written request from any Unit Owner.
- (Q) Grant and accept easements, rights-of-way, licenses, leases in excess of one (1) year or similar interests through, over or across the common elements in accordance with Section 11-109(d)(14) of the Condominium Act pursuant to Section 11-125(f) of the Condominium Act.
- (R) Do such other things and acts not inconsistent with the Condominium Act or the Condominium Instruments which the Board may be authorized to do by a resolution of the Council of Unit Owners.

Section 3.2 Managing Agent. The Board shall employ for the Association a Managing Agent at a compensation to be established by the Board.

- (A) Requirements. The Managing Agent shall be a bona fide business enterprise, which manages common interest residential communities. Such firm or its principals shall have a minimum of two (2) years experience in real estate community management and shall employ persons possessing a high level of competence in the technical skills necessary for proper management of the Condominium. The Managing Agent must be able to advise the Board regarding the administrative operation of the Condominium and shall employ personnel knowledgeable in the areas of condominium insurance, accounting, contract negotiation, labor relations and condominium regulation.
- (B) Duties. The Managing Agent shall perform such duties and services as the Board shall direct. Such duties and services may include, without limitation, the duties listed in subsections 3.1 (A), (C), (D), (E), (G), (H), (I), (J), (K), (L) and (R). The Board may delegate to the Managing Agent all of the powers granted to the Board by these Bylaws other than the powers set forth in subsections 3.1 (B), (F), (M), (N), (O), (P) and (Q). The Managing Agent shall perform the obligations, duties and services relating to the management of the Property, the rights of Mortgagees and the maintenance of reserve funds in compliance with the provisions of these Bylaws.
- (C) Standards. The Board shall impose appropriate standards of performance upon the Managing Agent. Unless the Managing Agent is instructed otherwise by the Board, these standards are:
  - (1) The accrual method of accounting shall be employed, and expenses required by these Bylaws to be charged to more than one (1) but less than all Unit Owners shall be accounted for separately.
  - (2) Two (2) or more persons shall be responsible for handling cash to maintain adequate financial control procedures.
  - (3) Cash accounts of the Council of Unit Owners shall not be commingled with any other accounts.



- (4) No remuneration shall be accepted by the Managing Agent from vendors, independent contractors or others providing goods or services to the Council of Unit Owners whether in the form of commissions, finders fees, service fees or otherwise; any discounts received shall benefit the Association.
- (5) Any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Council of Unit Owners shall be disclosed promptly to the Board.
- (6) A monthly financial report shall be prepared for the Council of Unit Owners containing:
  - (a) an "income statement" reflecting all income and expense activity for the preceding month on an accrual basis;
  - (b) an "account activity statement" reflecting all receipt and disbursement activity for the preceding month on a cash basis;
  - (c) an "account status report" reflecting the status of all accounts in an "actual" versus "projected" budget format;
  - (d) a "balance sheet" reflecting the financial condition of the Council of Unit Owners on an unaudited basis;
  - (e) a "budget report" reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves or ten percent (10%) of a major budget category (as distinct from a specific line item in an expanded chart of accounts); and
  - (f) a "delinquency report" listing all Unit Owners who are delinquent in paying assessments and describing the status of any actions to collect such assessments.

(D) Limitations. The Council of Unit Owners and the Board shall not undertake "self-management" or fail to employ a Managing Agent without the consent of at least sixty-seven percent (67%) of the Unit Owners and at least fifty-one percent (51%) of the Mortgagees. Any contract with the Managing Agent must provide that it may be terminated, without payment of a termination fee, without cause on no more than ninety (90) days written notice and with cause on no more than thirty (30) days written notice.

Section 3.3 Number and Term of Office. The Board shall consist of five (5) or seven (7) persons. Directors shall be elected for three-year terms. Terms shall be staggered so that no more than two (2) positions in a five (5) persons Board or three (3) positions in a seven (7) persons Board shall expire in any year. Consistent with staggered terms, directors elected with the highest number of votes shall have the longest terms.

Section 3.4 Election of Directors.

(A) Elections Committee. At least ninety (90) days prior to each annual meeting of the Council of Unit Owners, the Board shall appoint an Elections Committee consisting of a member of the Board whose term is not then expiring and at least three (3) other Unit Owners. The Elections Committee shall develop election procedures and administer such procedures as are approved by the Board providing for election of Directors by ballot of



the Unit Owners at annual meetings and special meetings in accordance with section 11-109(c) of the Condominium Act.

- (B) Nominations. For each annual meeting a call for nominations shall be sent to all Unit Owners at least forty-five (45) days prior to sending notice of an election. Persons qualified to be directors may be nominated for election only by a nominating petition submitted to the chairman of the Elections Committee at least fifteen (15) days before the mailing of the notice of the meeting at which the election is to be held signed by persons owning fee simple interests in and representing in the aggregate at least ten (10) units, and either signed by the nominee or accompanied by a document signed by the nominee indicating the willingness to serve as a Director. Additional nominations may be made from the floor at the meeting at which the election is held for each vacancy on the Board; the nominee must either be present and consent to the nomination or have indicated in writing the willingness to serve.
- (C) Qualifications. No person shall be eligible for election as a member of the Board unless such person is (alone or together with one (1) or more other persons) a Unit Owner or Mortgagee (or designee of a Mortgagee). No person shall be elected as a Director or continue to serve as a director if such person is more than sixty (60) days delinquent in meeting financial obligations to the Council of Unit Owners or a lien has been filed against such person's unit.

Section 3.5 Removal or Resignation of Directors. Except as provided in Section 2.9, at any regular or special meeting duly called, any one (1) or more of the Directors may be removed with or without cause by a Majority Vote of the Unit Owners 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 seven (7) days notice of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A Director may resign at any time: 1) in person at a meeting of the Board or the Association; or 2) by giving written notice to the Board. Resignation of a Director is effective when delivered unless the notice specifies an effective date which is not more than thirty (30) days after the date of the notice. A Director shall be deemed to have resigned automatically and without notice: 1) upon disposition of such Director's unit; or 2) if not in attendance at three (3) consecutive regular meetings of the Board, unless the minutes reflect consent to such absence.

Section 3.6 Vacancies. Vacancies in the Board caused by any reason other than the removal of a Director by a vote of the Council of Unit Owners shall be filled by a vote of a majority of the remaining directors at a special meeting of the Board held for such purpose promptly after the occurrence of any such vacancy, even though the directors present at such meeting may constitute less than a quorum because a quorum is impossible to obtain. Each person so elected shall be a Director until a successor shall be elected at the next annual meeting of the Association. The term of the replacement Director so elected shall expire so that the staggered terms of Directors shall remain unaffected.

Section 3.7 Organization Meeting. The first (1st) meeting of the Board following the annual meeting of the Council of Unit Owners shall be held within thirty (30) days thereafter at such

time and place as shall be fixed by the Association at the meeting at which such Board shall have been elected.

Section 3.8 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors, but such meetings shall be held at least once every four (4) months during each fiscal year. Notice of regular meetings of the Board shall be delivered to each Director personally, by email, or telephone at least three (3) business days prior to the day named for such meeting. Notice of the proposed schedule of regular meetings shall be sent to all Unit Owners at least annually. Changes to the regular meeting schedule will be posted.

Section 3.9 Special Meetings. Special meetings of the Board may be called by the President on three (3) business days notice to each Director and Unit Owners, given personally or by electronic or regular mail, telephone, and posted which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) directors.

Section 3.10 Waiver of Notice. Any Director may at any time, in writing, waive such Director's notice of any meeting of the Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director, in person, or by electronic communication, at any meeting of the Board shall constitute a waiver of notice of the time, place and purpose of such meeting.

Section 3.11 Quorum of the Board of Directors. At all meetings of the Board a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. A Director who participates in a meeting by means of electronic communication shall be deemed present at the meeting for all purposes.

Section 3.12 Compensation. No Director shall receive any compensation from the Association for their service.

Section 3.13 Conduct of Meetings.

(A) The President shall preside over all meetings of the Board and the Secretary shall keep a minute book of the Board recording all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. The current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board when not in conflict with the Condominium Act or the Condominium Instruments.

(B) All meetings of the Board shall be open to all Unit Owners or occupants of units or their agents and other interested parties at the discretion of the Board or as required by law, as observers, except that the President or presiding Officer may call the Board into closed session for matters enumerated in Section 11-109.1 (a) of the Condominium Act. Any final action taken by the Board in closed session shall be recorded in the minutes of the closed session.

Section 3.14 Action Without Meeting. Any action by the Board permitted to be taken at a closed meeting may be taken without a meeting provided: 1) the matter is time sensitive; 2) all of the Directors consent in writing to such action; and 3) any such action shall be filed with the minutes of the Board as provided in Section 3.13 (B).

Section 3.15 Board of Directors as Attorney-In-Fact. The Board shall have the power to act as agent and attorney-in-fact for the Unit Owners of all of the units and for each of them, to manage, control and deal with the interests of such Unit Owners in the common elements of the Condominium to permit the Board to fulfill all of its powers, rights, functions and duties. The Board shall have the power to act as agent and attorney-in-fact for each Unit Owner, each Mortgagee, other named insureds and their beneficiaries, and any other holder of a lien or other interest in the Condominium or the Property to: 1) adjust and settle all claims arising under insurance policies purchased by the Board, in accordance with section 11-114 of the Condominium Act; 2) execute and deliver releases upon the payment of claims; and 3) act on their behalf in any condemnation proceeding or action of eminent domain pursuant to section 11-112 of the Condominium Act; provided that the consent of a Mortgagee shall be required if such Mortgagee notifies the Board pursuant to Section 1.4 within thirty (30) days after receipt of notice of the damage pursuant to Section 8.2. The powers hereby granted shall be in addition to any rights granted by section 11-109 of the Condominium Act. The Board may grant and accept easements and licenses pursuant to section 11-125(f) of the Condominium Act.

Section 3.16 Liability of the Board of Directors, Officers, Unit Owners, and Council of Unit Owners.

(A) The Officers, Directors, members of the Covenants Committee, other committee members, and other volunteers, shall not be liable to the Council of Unit Owners or any Unit Owner for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Council of Unit Owners shall indemnify and hold harmless each of the Officers and Directors from and against all contractual liability to others arising out of contracts made by the Officers or the Board on behalf of the Association, unless any such contract shall have been made in bad faith or contrary to the provisions of the Condominium Act or the Condominium Instruments, except to the extent that such liability is satisfied by directors and officers liability insurance. Officers and Directors shall have no personal liability with respect to any contract made by them on behalf of the Council of Unit Owners. The liability of any Unit Owner arising out of any contract made by the Officers or Board, or out of the indemnification of the Officers or Directors, or for damages as a result of injuries arising in connection with the common elements solely by virtue of ownership of a Common Element Interest therein, or for liabilities incurred by the Council of Unit Owners shall be limited to the total liability multiplied by such Unit Owners' Common Element Interest.

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

Common Element Interest. The Council of Unit Owners shall indemnify and hold harmless the Officers, Directors, members of the Covenants Committee, other committee members, and other volunteers from and against all liability to others arising out of the due exercise of their responsibilities unless their action shall have been taken in bad faith or contrary to the provisions of the Condominium Act or the Condominium Instruments.

- (C) The Council of Unit Owners 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 such person is or was an Officer or Director of the Association, a member of the Covenants Committee, a member of any other committee, or any other volunteer against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Association, in accordance with section 2-418 of the Corporations and Associations Article of the Annotated Code of Maryland.
- (D) Except to the extent covered by insurance, the Council of Unit Owners shall not be liable for any failure of water supply or other services to be obtained by the Association or paid for as a common expense, or for injury or damage to person or property caused by the elements or by the Unit Owner of any condominium unit, or any other person, or resulting from electricity, water, snow or ice which may leak or flow from or over any portion of the common elements or from any pipe, drain, conduit, appliance or equipment. The Council of Unit Owners shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the common elements. No diminution or abatement of any assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the common elements or from any action taken by the Council of Unit Owners to comply with any law, ordinance or with the order or directive of any governmental authority.

Section 3.17 Common or Interested Directors. Each Director shall exercise such director's powers and duties in good faith and with a view to the interests of the Association. No contract or other transaction between the Council of Unit Owners and any of its directors, or between the Association and any corporation, firm or association in which any of the Directors of the Association are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because any such Director is present at the meeting of the Board or any committee which authorizes or approves the contract or transaction, or because such Director's vote is counted for such purpose, if any of the conditions specified in any of the following subsections exist:

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

- (B) The fact of the common directorate or interest is disclosed or known to at least a majority of the Unit Owners, and the Unit Owners approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or
- (C) The contract or transaction is commercially reasonable to the Council of Unit Owners at the time it is authorized, ratified, approved or executed.

Any common or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board or committee which authorizes, approves or ratifies any contract or transaction, and may vote at the meeting to authorize any contract or transaction with like force and effect as if such director of the Council of Unit Owners were not an officer or director of such other corporation, firm or association or not so interested.

#### Section 3.18 Covenants Committee.

- (A) Purpose. The Board shall establish a Covenants Committee, consisting of three (3) or five (5) members appointed by the Board, each to serve for a staggered three (3) year term, in order to assure that the Condominium shall always be maintained in a manner: 1) providing for visual harmony and soundness of repair; 2) avoiding activities deleterious to the aesthetic or property values of the Condominium; 3) furthering the comfort of the Unit Owners, guests and tenants; and 4) promoting the general welfare and safety of the Condominium community.
- (B) Powers. The Covenants Committee shall: 1) regulate the external design, appearance, use and preservation of the common elements; 2) impose reasonable application fees as well as any costs of reports, analyses, or consultations required in connection with improvements or changes proposed by a Unit Owner; 3) impose reasonable fines pursuant to subsection 9.1(G) , and issue a cease-and-desist request to a Unit Owner, such Unit Owner's tenants, guests, agents, employees and other licensees or invitees, whose actions are inconsistent with the provisions of the Condominium Act, the Condominium Instruments, the rules or resolutions of the Board (upon petition of any Unit Owner or upon its own motion); 4) provide interpretations of the Condominium Instruments, rules or resolutions pursuant to the intents, provisions and qualifications thereof when requested to do so by a Unit Owner, the Board, or upon the Committee's own initiative.
- (C) Authority. The Covenants Committee shall have such additional duties, power and authority as the Board may from time to time provide by resolution. The Board may relieve the Covenants Committee of any of its duties, powers and authority either generally or on a case-by-case basis. The Covenants Committee shall carry out its duties and exercise its powers and authority in the manner provided for in the rules or by resolution of the Board. Any action, ruling or decision of the Covenants Committee may be appealed to the Board by any party deemed by the Board to have standing as an aggrieved party. The Board may modify or reverse any interpretation, action, ruling or decision by the Covenants Committee.

#### Section 3.19 Standing Committees. The Board may establish standing committees and appoint members to function according to Board approved terms.



**Article 4 Officers**

Section 4.1 Designation. The principal Officers of the Council of Unit Owners shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board. The Board may appoint an assistant treasurer, an assistant secretary and such other Officers as in its judgment may be necessary.

Section 4.2 Election of Officers. The Officers of the Council of Unit Owners 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.

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

Section 4.4 President. The President shall: 1) be the chief executive officer of the Council of Unit Owners; 2) preside at all meetings of the Association and of the Board; 3) have general and active management of the business of the Association subject to the control of the Board; 4) see that all orders and resolutions of the Board are carried into effect; and 5) appoint ad hoc committees from among the Unit Owners from time to time as appropriate to assist in the conduct of the affairs of the Association.

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

Section 4.6 Secretary. The Secretary shall: 1) keep the minutes of all meetings of the Council of Unit Owners and of the Board; 2) have charge of such books and papers as the Board may direct; 3) give or cause to be given all notices required to be given by the Association; 4) maintain a register setting forth the place to which all notices to Unit Owners and Mortgagees hereunder shall be delivered; and 5) in general, perform all the duties incident to the office of secretary.

Section 4.7 Treasurer. The Treasurer, shall together with the Managing Agent: 1) be responsible for Council of Unit Owners funds and securities; 2) keep full and accurate financial records and books of account showing all receipts and disbursements; 3) prepare all required financial data; 4) deposit all monies and other valuable effects in the name of the Board, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Board; and 5) in general, perform all the duties incident to the office of treasurer.

Section 4.8 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Council of Unit Owners for expenditures or obligations in excess of two-tenths (2/10) of one percent (1%) of the total annual assessment for common expenses for that fiscal year, and all checks drawn upon reserve accounts, shall be executed by any two (2) persons designated by the Board. All such instruments for expenditures or obligations of



two-tenths (2/10) of one percent (1%) of the total annual assessment for common expenses for that fiscal year or less, except from reserve accounts, may be executed by any one (1) person designated by the Board.

Section 4.9 Compensation of Officers. No Officer who is also a Director shall receive any compensation from the Council of Unit Owners for acting as such Officer.

## **Article 5 Operation of the Property**

Section 5.1 Determination of Common Expenses and Assessments Against Unit Owners.

(A) Fiscal Year. The fiscal year of the Council of Unit Owners shall be the calendar year unless otherwise determined by the Board.

(B) Preparation and Approval of Budget.

(1) At least forty-five (45) days before the beginning of each fiscal year, at an open meeting held in accordance with section 11-109.2 of the Condominium Act, the Board shall adopt a budget for the Council of Unit Owners containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the common elements and those parts of the units for which it is the responsibility of the Association 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 Condominium Instruments or a resolution of the Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services. The budget shall reflect the separate assessment of Limited Common Expenses.

(2) Such budget shall also include such reasonable amounts as the Board considers necessary to provide working capital, a general operating reserve, reserves for contingencies and replacements, and such other reserves established by the Board. At least thirty (30) days before the adoption of the budget as provided in Section 5.1(B)(1), the Board shall send to each Unit Owner a copy of the proposed budget in a reasonably itemized form, containing at least those items required by Section 11-109.2 of the Condominium Act, which sets forth the amount of the common expenses and any special assessment payable by each Unit Owner. The budget as adopted shall constitute the basis for determining each Unit Owner's assessment for the common expenses of the Condominium.

(C) Assessment and Payment of Common Expenses.

(1) Subject to the provisions of subsection 9.1(A), the total amount of the estimated funds required from assessments for the operation of the Condominium set forth in the budget adopted by the Board shall be assessed against each Unit Owner in proportion to such Unit Owner's respective Common Element Interest, except for Limited Common Expenses which shall be assessed against each Unit Owner benefited in proportion to the relative Common Element Interest of such units inter se, and shall be a lien against each Unit Owner's unit as provided in Section 9.2.

- (2) On or before the first (1st) day of each fiscal year, and the first (1st) day of each of the succeeding eleven (11) months in such fiscal year, each Unit Owner shall be obligated to pay to the Board or the Managing Agent (as determined by the Board), one-twelfth (1/12) of such assessment. Within one hundred twenty (120) days after the end of each fiscal year, the Board shall supply to all Unit Owners, and to each Mortgagee requesting the same, an 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 for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves.
- (3) If assessment and other income amounts accumulated are more than the amount of actual expenses and budgeted reserves for a given fiscal year, the excess amount, at the discretion of the Board, will be applied to reserves, and/or to other elements of the budget during the next available annual budget development process, which shall directly benefit the Unit Owners. If the assessments and other income amounts for a given fiscal year are less than the actual expenses and budgeted reserves (i.e. a net shortage), the Board, at its discretion, can require an additional assessment and payment of the total amount of the shortfall from Unit Owners, in accordance with Common Element Interest, as quickly as the next monthly installments after a thirty (30) day notice to Unit Owners. Alternatively, the Board, at its discretion, may elect to collect the shortfall as an additional charge in general assessments, in accordance with Common Element Interest, and build that charge into the budget developed as part of the next available annual budget development process.
- (4) If the Board wishes to incur a discretionary expenditure not included in the budget which would result in an increase in the total assessments of more than fifteen percent (15%), the Board shall amend the budget at a special meeting of the Board in accordance with section 11-109.2 of the Condominium Act.
- (D) Reserves. The Board shall establish and maintain reserves to provide a source of funding for maintenance, repair and replacement of the common elements and any other components that are the responsibility of the Association. The Board may also create and maintain additional reserves it deems necessary to provide a source of funding for other contingencies or maintenance projects.
- (1) The Board shall conduct a comprehensive reserve study at least once every five (5) years in accordance with Section 11-109.4 of the Condominium Act. The reserve study shall assess the conditions of the required Property components under the Association's responsibility to determine their estimated remaining useful life and the projected costs for replacement. The Board shall build up and maintain reserves necessary to replace components as they reach the end of their useful lives. The Board shall review the reserve study and reserve balances annually as part of the budget preparation process to determine future necessary annual contributions.
- (2) Except for normal maintenance and operating expenses shown in the annual operating budget, all expenses for repair and replacement of physical assets maintained by the Association shall be charged first against such reserves.

Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against established reserves.

- (3) If the reserves are inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board may at any time levy a special assessment, which shall be assessed against the Unit Owners according to their respective Common Element Interests, and which may be payable in a lump sum or in installments as the Board may determine. The Board shall serve notice of any such special assessment on Unit Owners by a statement in writing giving the amount and reasons therefor, and such special assessment 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 of such notice of special assessment. All Unit Owners so notified shall be obligated to pay the adjusted monthly amount or, if such special assessment is not payable in installments, the amount of such assessment. Such assessment shall be a lien as of the effective date as set forth in the above subsection (C).

- (E) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay the allocable share of the common expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notified of the monthly payment which is due more than ten (10) days after such new annual or adjusted budget is adopted.

- (F) Accounts. All sums collected by the Board with respect to assessments against the Unit Owners or from any other source may be commingled into a single fund.

## Section 5.2 Payment of Common Expenses.

- (A) Each Unit Owner shall pay the common expenses, including Limited Common Expenses, assessed by the Board pursuant to the provisions of Section 5.1. No Unit Owner may be exempted from liability for the assessment for common expenses by reason of waiver of the use or enjoyment of any of the common elements or by abandonment of the unit. No Unit Owner shall be liable for the payment of any part of the common expenses assessed against the unit subsequent to the date of recordation of a conveyance by such Unit Owner. Prior to or at the time of any such conveyance, all liens, unpaid charges and assessments shall be paid in full and discharged.
- (B) The purchaser of a unit shall be jointly and severally liable with the selling unit owner for all unpaid assessments against the latter for the proportionate share of the common expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling unit owner amounts paid by the purchaser. The purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling unit owner within twenty (20) business days following a written request to the Board or Managing Agent and the purchaser shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessments in excess of the unpaid amount. Each Mortgagee who comes into possession of a condominium unit by

virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take, unless otherwise provided by law, the condominium unit free of any claims for unpaid assessments or charges against such unit which accrue prior to the time such Mortgagee comes into possession thereof, except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all condominium units including the mortgaged condominium unit.

**Section 5.3**      Collection of Assessments. The Board, or the Managing Agent at the request of the Board, shall take prompt action to collect any assessments for common expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. Any assessment, or installment, not paid within fifteen (15) days after due shall accrue a late charge in such amount as may be established from time to time by the Board in accordance with Section 11-110 of the Condominium Act.

**Section 5.4**      Statement of Common Expenses. The Board shall promptly provide any Unit Owner, contract purchaser, or Mortgagee so requesting the same in writing with a written statement of all unpaid assessments for common expenses due from such Unit Owner. The Board may impose a reasonable charge for the preparation of such a statement to cover the cost of preparation.

**Section 5.5**      Maintenance, Repair, Replacement and Other Common Expenses.

(A) By the Council of Unit Owners. The Council of Unit Owners shall be responsible for the maintenance, repair and replacement of all of the common elements (including the limited common elements) as defined herein or in the Declaration, whether located inside or outside of the units, the cost of which shall be charged to all Unit Owners as a common expense. However, each Unit Owner shall perform normal maintenance on the limited common elements appurtenant to such Unit Owner's unit (other than parking spaces) and any portion of the remaining common elements which the Board pursuant to the rules has given such Unit Owner permission to utilize, including without limitation the items enumerated in subsection (B).

(B) By the Unit Owner.

- (1) Each Unit Owner shall keep the unit and its equipment, appliances and appurtenances in good order, condition and repair and in a clean and sanitary condition. In addition, each Unit Owner shall be responsible for all damage to any other units or to the common elements resulting from such Unit Owner's failure or negligence to make any of the repairs required by this Section, to the extent that such damage is not covered by any policy of insurance obtained by the Council of Unit Owners for the Association. Each Unit Owner shall perform this 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 or the Managing Agent any defect or need for repairs for which the Council of Unit Owners is responsible.
- (2) The Unit Owner of any unit to which a balcony enclosure or patio is appurtenant shall perform the normal maintenance for such balcony enclosure or patio, including keeping it in a good, clean and sanitary condition, free and clear of snow, ice and any

accumulation of water and shall also make all repairs thereto caused or permitted by such Unit Owner's negligence, misuse or neglect. All structural repair or replacement shall be made by the Council of Unit Owners as a common expense, as provided in subsection (A).

- (3) Any Unit Owner permitted by the Board to use a specific portion of the common elements for storage is responsible for the maintenance and care of such portion and shall use such portion in a safe and sanitary manner in compliance with any restrictions or rules adopted by the Board.
- (C) Chart of Maintenance Responsibilities. Notwithstanding the general provisions for maintenance set forth in subsections (A) and (B), specific maintenance responsibilities and the costs attributable shall be determined pursuant to the Chart of Maintenance Responsibilities attached as Exhibit 1 of these Bylaws.
- (D) Manner of Repair and Replacement. All repairs and replacements shall be at least substantially similar to the original construction and installation, but may be done with contemporary building materials and equipment.

#### Section 5.6 Additions, Alterations or Improvements by the Board.

- (A) Whenever in the judgment of the Board the common elements shall require additions, alterations or improvements (other than maintenance, repair, or replacement of existing building components or work needed to meet code requirements) costing in excess of one percent (1%) of the total annual assessment for common expenses for that fiscal year, the making of such additions, alterations or improvements requires a Majority Vote of the Council of Unit Owners. The Board shall assess Unit Owners for the cost thereof, as a common expense or Limited Common Expense depending on the nature of the additions, alterations or improvements.
- (B) Any additions, alterations or improvements costing one percent (1%) or less of the total annual assessment for common expenses for that fiscal year may be made by the Board without approval of the Unit Owners and the cost shall constitute a common expense or Limited Common Expense, depending on the nature of the additions, alterations or improvements.
- (C) Notwithstanding the foregoing, if, in the opinion of not less than two thirds (2/3) of the members of the Board, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of the Unit Owners requesting the same, such requesting Unit Owners shall be assessed in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportion as may be determined by the Board.

#### Section 5.7 Additions, Alterations or Improvements by the Unit Owners.

- (A) A Unit Owner shall not make any structural addition, alteration or improvement in or to the unit without the prior written consent of the Board or the Covenants Committee as appropriate. A Unit Owner shall not paint or alter the exterior of the unit, including the doors and windows, nor shall any Unit Owner paint or alter the exterior of any part of the building, without the prior written consent of the Board or the Covenants Committee as appropriate.



- (B) The Board or the Covenants Committee shall be obligated to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's unit within forty-five (45) days after such request. Failure to answer or make a decision within the stipulated time shall not constitute consent by the Board or the Covenants Committee. A decision shall not be unreasonably delayed. If no response is received within the stipulated time, the Unit Owner may request a status update which must be provided within ten (10) days of receipt of the request.
- (C) If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement in or to any unit requires execution by the Council of Unit Owners, and provided consent has been given by the Board, then the application shall be executed on behalf of the Association by an authorized Officer only, without however incurring any liability on the part of the Board, the Association or any of them to any contractor, subcontractor or supplier on account of such addition, alteration or improvement, or to any person having claim for injury to person or damage to property arising therefrom.
- (D) Subject to the approval of any Mortgagee of such affected units, the Board and any Unit Owner affected, any unit may be subdivided or may be altered so as to relocate the boundaries between such unit and any adjoining units. The Secretary shall record any necessary amendment to the Declaration to effect such action as provided in section 11-107(d) of the Condominium Act.

Section 5.8 Restrictions on Use of Units and Common Elements and Rules.

- (A) Restrictions. Each unit and the common elements shall be occupied and used as follows:
- (1) At least one (1) of the persons who resides in any unit must be fifty-five (55) years of age or older; any other resident of the unit must be fifty (50) years of age older unless an exception is approved by the Board.
  - (2) Except for the areas of the Condominium designated for commercial and recreational use and any unit used as an office by the Council of Unit Owners, no unit shall be used for other than housing and the related common purposes for which the Condominium was designed. A Unit Owner may use a unit for a no-impact home-based business consistent with Section 11-111.1 of the Condominium Act and all valid zoning ordinances and regulations provided that such use shall not interfere with the quiet enjoyment or comfort of any other Unit Owner. The Board may permit reasonable, temporary non-residential uses from time to time.
  - (3) Nothing shall be done or kept in any unit or in the common elements which will increase the rate of insurance for the Association or any part thereof applicable for residential or commercial uses without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in the unit or in the common elements which will result in the cancellation of insurance on the Condominium or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste will be committed on the common elements.



- (4) No improper, offensive or unlawful use shall be made of the Property or any part thereof, and all laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Property shall be complied with, by and at the sole expense of the Unit Owner or the Board, whichever shall have the obligation to maintain or repair such portion of the Property, and, if the latter, then the cost of such compliance shall be a common expense.
- (5) No Unit Owner shall obstruct any of the common elements nor shall any Unit Owner place or cause or permit anything to be placed on or in any of the common elements (except those areas designated for such storage by the Condominium Instruments or the Board) without the approval of the Board. Nothing shall be altered or constructed in or removed from the common elements except with the prior written consent of the Board or the Covenants Committee, as appropriate (subject, however, to the applicable provisions of the Fair Housing Act regarding modifications requested by disabled residents).
- (6) The common elements shall be used only for the furnishing of the services and facilities for which the same are reasonably suited and which are incident to the use and occupancy of the units. The lobbies, vestibules, public halls and stairways shall be used for no purpose other than for normal transit. The garage areas, including limited common element parking spaces shall be used for parking of automobiles or golf carts. The garage parking spaces may also be used for the storage of objects permitted by the Board pursuant to rules adopted with due consideration of safety, appearance, and maintenance standards. The garage parking spaces shall not be altered without the prior written consent of the Board or the Covenants Committee.
- (7) No unit or portion of a unit shall be used or occupied for any hotel, timesharing, cooperative, licensing or other transient arrangement that would entail daily, weekly, monthly, or any other type of revolving or periodic occupancy by multiple Unit Owners, cooperators, licensees, or timesharing participants.
- (8) During the initial year of ownership, only the following person(s) (or immediate family member) may live in the unit:
  - (a) The owner(s) of the unit as shown in the land records;
  - (b) In the event a unit is held in a trust, then the person(s) who established the trust or a beneficiary;
  - (c) In the event the unit is owned by a corporation, partnership, LLC or other legal business entity, only the majority owner(s).
- (9) Trailers, campers, recreational vehicles, boats and other large vehicles may be parked on the Property only if expressly permitted by the rules and only in such parking areas, if any, as may be designated for such a purpose by the Board. Other than as provided above, nothing may be stored, erected, attached to or otherwise placed on the common elements in the parking areas without the prior written consent of the Board or the Covenants Committee, as appropriate. No junk or

derelict vehicle or other vehicle on which current registration plates are not displayed shall be kept upon any of the common elements. Except in any areas designated by the Board, vehicle repairs are not permitted on the common elements other than 1) emergency maintenance; 2) ordinary light maintenance (excluding fluid changes and other work which might soil the common elements); and 3) normal cleaning.

- (10) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any unit or upon the common elements, except that the keeping of small, orderly domestic pets (e.g., dogs, cats or caged birds) not to exceed one (1) per unit without the approval of the Board is permitted, subject to the rules adopted by the Board, provided that such pets are not kept or maintained for commercial purposes or for breeding. Any animal causing injury or creating a nuisance or unreasonable disturbance may be permanently removed from the Property in accordance with the procedures set forth in Section 11-113 of the Condominium Act unless circumstances warrant expedited enforcement action. Pets shall be permitted in areas of the common elements as designated by the Board if accompanied by an adult and carried or leashed. Any Unit Owner who keeps or maintains any animal upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Council of Unit Owners and each Unit Owner free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such animal within the Condominium. All animals shall be registered with the Board and shall otherwise be registered and inoculated as required by law. The Board may establish reasonable fees for registration.
- (11) Except as permitted by law, no signs of any character shall be erected, posted or displayed upon, in, from or about any unit or common element without the prior written approval of the Board. The foregoing provisions of this paragraph shall not apply to a Mortgagee in possession of a unit as a result of foreclosure, judicial sale or a proceeding in lieu of foreclosure.
- (12) Sufficient carpeting, rugs, or sound attenuating material shall be maintained on a minimum of eighty percent (80%) of the floor surfaces (except kitchens, closets and bathrooms) in units located over other units to adequately reduce transmission of sound between units. Additional washers, dryers and other major appliances may not be installed in a unit or storage area without the prior written approval of the Covenants Committee.
- (13) Except as specifically permitted by applicable federal regulations, no exterior antennas of any type, including, but not limited to, satellite dishes for reception or transmission, may be erected or maintained within units or balconies, provided that to the extent required by law, satellite dishes not in excess of one (1) meter in diameter or antennas are permitted within a unit or the limited common elements appurtenant to the unit. Antennas and associated support facilities are permitted on the roof and within or on the penthouse, subject to Board Approval. The Board may

impose reasonable rules and regulations regarding the location and screening of any antennas or satellite dishes, subject to applicable governmental regulations.

- (14) The Condominium is smoke-free and subject to the following provisions:
- (a) Smoking is prohibited in the following areas: (i) the interior of all units; (ii) all indoor common elements, such as, but not limited to, lobbies, hallways, elevators, stairs, Community Room, staff offices, storage areas, restrooms, refuse rooms, and equipment rooms; (iii) all outdoor limited common elements, such as, but not limited to, unit balconies, patios, and garage parking spaces; and (iv) within twenty (20) feet of the outside perimeter of the building, including exit stairs, garages, the loading dock, parking lot, and walkway behind the building.
  - (b) Smoking is defined as use of any lighted legal or illegal products, smoking devices, or use of electronic vapor smoking devices that produce airborne emissions.
  - (c) No Unit Owner shall smoke or permit smoking by any owner, occupant, agent, tenant, contract worker, household worker, guest, friend or family member. Any Unit Owner who rents, leases or otherwise allows someone other than the Unit Owner to reside within or occupy the unit shall notify such persons within the unit that smoking is prohibited.
  - (d) Unit Owner(s) selling their units must advise their real estate agents and prospective buyers of the smoking prohibition prior to the time that a purchase agreement for the unit is entered into.
  - (e) Unit Owner(s) who purchased their units prior to June 1, 2019 may continue to smoke in their unit until the unit is sold or they no longer live there, whichever comes first.

- (B) Compliance with and Changes to Rules. Occupancy of a unit and use of the common elements is governed by the restrictions and the rules and regulations of the Association and by rules established by the Leisure World Community Corporation. Changes to the rules shall be adopted in accordance with the process of Section 11-111 of the Condominium Act.

#### Section 5.9 Leasing.

- (A) Leasing is not permitted until any of the persons named in Section 5.8(A)(8) has lived in the unit for at least one (1) year. No Unit Owner shall lease a unit for a period of less than one year, unless it is a renewal. No portion of any unit other than the entire unit shall be leased for any period. Subletting is prohibited.
- (B) The number of leased residential units shall be limited to a maximum of ten percent (10%) of the total percentage interests (100%) of residential units within the Condominium subject to the following provisions:
  - (1) Unit Owners who are leasing their unit as of June 2017 may continue to lease their unit as long as the Unit Owners continue to own the unit without regard to the ten percent (10%) maximum.

- (2) Unit Owners who as of June 2017 own and occupy a unit and who may desire to lease their unit in the future, may lease their units without regard to the ten percent (10%) maximum.
- (3) In the event a person or entity who owns a unit as of June 2017 transfers the unit (excluding sales), either during the owner's lifetime or in the event the transfer occurs as a result of the Unit Owner's death, the transferee shall be considered to occupy the same status the transferor occupied as of June 2017 with regard to leasing the unit.
- (4) Other persons or entities who acquire ownership of a unit after June 2017 shall be subject to the ten percent (10%) limitation in connection with leasing a unit.
- (C) All Unit Owners desiring to lease their unit must submit an application to the Board, obtain Board approval of the application prior to taking any steps toward leasing of the unit, and must be licensed as required by Montgomery County, Maryland. Applications for approval to lease units received after the maximum has been reached will be placed on a waitlist for possible approval at such time as the percentage interest of leased units falls below the maximum. The Board reserves the right to move an applicant up on the waitlist or grant an exception, if, in the sole discretion of the Board, to do otherwise would cause extreme hardship on a Unit Owner.
- (D) No Unit Owner shall lease a unit without a lease addendum approved by the Board. The Unit Owner shall provide a copy of the executed lease with the required lease addendum to the Association at least five (5) business days prior to the effective date of the lease.
- (E) The lease addendum must include provisions to the effect that:
  - (1) The right of the Tenant to use and occupy the unit shall be subject to the provisions of the Condominium's Governing Documents (Declaration, Bylaws, the Rules and Regulations as the Board may from time to time promulgate, and the Lease Addendum). Failure to comply with these requirements within the time frame specified in a written notice from the Board to the Unit Owner shall constitute default under the lease and cause for termination of the lease. The Board reserves the right to withhold from the Tenant, access to Common Element amenities in the event that the Tenant fails to comply with any provisions of the Condominium Governing Documents. The Board shall have the right to bring summary proceedings to evict a Tenant failing to comply therewith in the name of the Unit Owner/lessor.
  - (2) No person, other than the Tenant and those named in the Lease shall be entitled to occupy the unit. Occupants must meet the age restrictions of Section 5.8(A)(1). The Tenant is responsible for compliance with the Condominium Governing Documents and for compliance by the Tenant's guests, agents, employees, and other licensees or invitees.
  - (3) The Board, the Managing Agent, or any other person authorized by the Board have the right of access to the unit consistent with Section 5.10.
  - (4) If the Unit Owner does not timely pay all Condominium fees and assessments assessed or charged against the Unit Owner in accordance with the Governing Documents, the Tenant, following a written demand from the Association, shall

timely pay to the Association the rent, due the Unit Owner, for the fees and assessments owned by the Unit Owner until the arrearage is paid in full. The Unit Owner agrees to take no action against the Association or the Tenant for unpaid rent if the Tenant is paying same to the Association pursuant to the terms of the lease addendum. The Unit Owner agrees to credit any such payments by the Tenant to the Association as timely rent payments until the Unit Owner's arrearage is paid in full. The disclosure of the Unit Owner's delinquency status to the Tenant shall not be deemed a breach of any confidential or private information or a violation of debt collection or consumer protection laws.

- (5) The Association is a limited Third Party Beneficiary of the Lease and Lease Addendum. The Association's interest is limited to enforcement of the Condominium Governing Documents, including the Rules and Regulations, and assuring that Condominium fees are paid.
- (6) The Association is not responsible with regard to any representations, warranties or performance under the Lease, or in connection with the landlord/tenant relationship between the Unit Owner and the Tenant.
- (7) The Unit Owner releases the Association and holds it harmless from and against any claims by the Tenant relating to the terms of the Lease, performance under the lease, representation or warranties between the Unit Owner and the Tenant either prior to execution of the Lease, contained in the Lease or subsequent to the date of the Lease, or in any way relating to the condition or attributes of the Condominium or the Unit.
- (8) The Unit Owner is responsible for furnishing to the Tenant the required disclosures under the Residential Lead Based Paint Hazard Reduction Act of 1992 (the Act), as amended from time to time. The Unit Owner and the Tenant release the Association and agree to hold it harmless, from any responsibility, loss or liability arising out of the presence of lead-based paint or lead based paint hazards at the Condominium or arising from the Unit Owner's failure to make proper disclosures under the Act and implementing regulations.
- (9) The Tenant shall maintain renters insurance, including personal liability.
- (F) In addition, the Board may require the lease addendum to contain such other language that it may deem necessary.
- (G) In addition to the authority to evict a Tenant, the Board may also impose and collect fines from the Unit Owner for violations by the Unit Owner or the Tenant of the lease restrictions.
- (H) The Unit Owner shall take no action against the Association or the Tenant for unpaid rent if the Tenant is paying the rent to the Association pursuant to the lease addendum to address fees and assessments owed by the Unit Owner to the Association.
- (I) If the Association brings any action in law or in equity in a court or administrative agency of competent jurisdiction to enforce the leasing/use restrictions herein, including but not limited to eviction proceedings, the Association shall be entitled to an award of



reasonable attorney's fees, costs, and litigation expenses incurred in connection with such enforcement action.

- (J) The Board shall have the authority to promulgate rules, regulations, and procedures in connection with the interpretation, implementation, and enforcement of leasing restrictions.

**Section 5.10**     Right of Access. By acceptance of the deed of conveyance, each Unit Owner thereby grants a right of access to the unit, as provided by Section 11-125(e) of the Condominium Act and subsection 4.2(a) of the Declaration, to the Board or the Managing Agent, or any other person authorized by the Board or the Managing Agent, or any group of the foregoing, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including without limitation making inspections, correcting any condition originating in the unit or in a common element to which access is obtained through the unit and threatening another unit or the common elements, performing installations, alterations or repairs to the mechanical or electrical systems or the common elements in the unit or elsewhere in the Condominium or to correct any condition which violates any Mortgage; 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 an emergency, including danger to a person, public safety or property, such right of entry shall be immediate, whether or not the Unit Owner is present.

**Section 5.11**     Utility Charges and User Fees. The cost of utilities serving the Condominium not individually metered or submetered to specific units shall be common expenses allocated pursuant to Section 5.1. The cost of utilities serving one (1) or more units and individually metered or submetered shall be a Limited Common Expense payable by the units served based on actual consumption of such services in accordance with Section 11-110(b)(2)(i) of the Condominium Act. The Board may impose reasonable user fees for the use of Limited Common Elements, Reserved Common Elements, property of the Council of Unit Owners, and services.

**Section 5.12**     Parking Spaces.

- (A) Each of the automobile parking spaces located in the garages of the building and so designated on the Condominium Plats shall be subject to designation as limited common elements appurtenant to certain designated units pursuant to Article 3 of the Declaration. Outdoor parking spaces shall be used by the Unit Owners for self-service parking purposes on a "first come, first served" basis, except as the Board may otherwise determine.
- (B) The cost of maintenance and repair of all automobile parking areas shall be a common expense. To the extent permitted by law, the Board may impose a Limited Common Expense charge in an amount determined by the Board, payable annually, upon units to which a limited common element parking space is appurtenant. Charges may also be imposed by the Board for the use of golf cart parking spaces and charging vehicles in the garage. Such charges shall be based upon actual and/or anticipated costs incurred by the Association.

**Section 5.13**     Storage Assignment and Disclaimer of Bailee Liability. The storage cubicles are common elements and may be assigned to units as Reserved Common Elements by the Board.



However, the Board, the Council of Unit Owners, or any Unit Owner shall not be considered a bailee of any personal property stored on the common elements (including property located in storage cubicles and vehicles parked on the common elements), whether or not exclusive possession of the particular area is given to a Unit Owner for storage or parking purposes, and shall not be responsible for the security of such personal property or for any loss or damage, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

## **Article 6 Insurance**

### **Section 6.1 Authority to Purchase and Notice.**

- (A) Except as otherwise provided in Section 6.6, all insurance policies relating to the Association shall be purchased by the Board. The Board and the Managing Agent shall not be liable for failure to obtain any coverages required by this Article 6 or for any loss or damage resulting from such failure: 1) if such failure is due to the unavailability of such coverages from reputable insurance companies; 2) if such coverages are so available only at demonstrably unreasonable cost; or 3) if the Association's insurance professionals advise that the coverages required by subsection 6.2(B)(2) are not necessary. The Board shall promptly furnish to each Unit Owner written notice of the procurement of subsequent changes in, or termination of, insurance coverages obtained on behalf of the Council of Unit Owners, in compliance with section 11-114 of the Condominium Act.
- (B) Each such policy shall provide that:
  - (1) The insurer waives any right to claim by way of subrogation against the Council of Unit Owners, the Board, the Managing Agent or the Unit Owners, and their respective agents, employees, tenants, guests and, in the case of the Unit Owners, the members of their households.
  - (2) Such policy shall not be cancelled, invalidated or suspended due to the conduct of any Unit Owner (including such Unit Owner's invitees, tenants, guests, agents, licensees and employees), any member, officer or employee of the Board, or the Managing Agent without a prior demand in writing that the Board or the Managing Agent cure the defect and neither shall have so cured such defect within sixty (60) days after such demand.
  - (3) Such policy may not be cancelled due to non-payment without at least ten (10) days written notice or substantially modified without at least forty-five (45) days prior written notice to the Board, the Managing Agent and all Mortgagees that have requested such notice.
- (C) All policies of insurance shall be written by reputable companies licensed to do business in the State of Maryland.
- (D) The deductibles for all policies purchased by the Board, except as provided for in Section 6.3, shall be a common expense.

### **Section 6.2 Property Damage Insurance.**

- (A) The Board shall obtain and maintain a blanket, "all-risk" form policy of fire insurance with extended coverage, vandalism, malicious mischief, sprinkler leakage, debris removal

and water damage endorsements, insuring the entire Property (including all of the units, bathrooms, kitchen fixtures initially installed by the Declarant, the replacements thereof substantially similar to those initially installed, but not including furniture, furnishings, fixtures, appliances, equipment or other personal property supplied or installed by Unit Owners), together with all air-conditioning and heating equipment and other service machinery contained therein and covering the interests of the Council of Unit Owners, the Board and all Unit Owners and their Mortgagees, as their interests may appear, (subject, however, to the loss payment and adjustment provisions in favor of the insurance trustee contained in Section 6.7), in an amount equal to one hundred percent (100%) of the then current replacement cost of the Property (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation (such amount to be redetermined annually by the Board with the assistance of the insurance company affording such coverage). Periodically, the Board shall obtain an appraisal from an insurance company, or such source as the Board may determine, of the replacement cost of the Property (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation, for the purpose of determining the amount of property damage insurance to be secured. The Board shall also obtain and maintain such coverage on all real and personal property owned by the Council of Unit Owners.

(B) Such policy shall also provide:

- (1) a waiver of any right of the insurer to repair, rebuild or replace any damage or destruction, if a decision is made pursuant to these Bylaws not to do so;
- (2) the following endorsements or equivalent: (a) "no control" to the effect that coverage shall not be prejudiced by any act or neglect of any occupant or Unit Owner or their agents when such act or neglect is not within the control of the insured, or the Unit Owners collectively; nor by any failure of the insured, or the Unit Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or the Unit Owners collectively, have no control, (b) "cost of demolition", (c) "contingent liability from operation of building laws or codes", (d) "increased cost of construction", (e) "condominium replacement cost", and (f) "agreed amount" or elimination of co-insurance clause; and
- (3) that any "no other insurance" clause expressly exclude individual Unit Owners' policies from its operation so that the property damage policy purchased by the Board shall be deemed primary coverage and any individual Unit Owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Board hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees, unless otherwise required by law.

(C) A copy of the policy of property damage insurance, all renewals thereof, and any sub policies or certificates and endorsements issued thereunder, together with proof of

payment of premiums, shall be delivered by the insurer to any Mortgagee requesting the same, at least sixty (60) days after the effective date of the policy. Mortgagees that request so shall be notified promptly of any event giving rise to a claim under such policy arising from damage to the common elements in excess of one percent (1%) of the then current replacement cost of the Property. The Mortgagee of a unit shall be notified promptly of any event giving rise to a claim under such policy arising from damage to such unit if the Mortgagee has made such request for notice in writing.

#### Section 6.3 Insurance Deductible.

- (A) The deductible, if any, on any master property damage insurance claim shall be a common expense, subject to the provisions of this section.
- (B) If the cause of any casualty damage originates in a unit, the owner of the unit shall be responsible for paying the deductible amount with respect to any claim made under the Association's master property damage insurance policy, up to the maximum amount permitted by the Maryland Condominium Act, and such amount may be assessed against the unit as part of the lien for assessments. Any portion of the deductible amount in excess of the maximum permitted by the Maryland Condominium Act to be charged to the Unit Owner shall be a common expense.
- (C) This Section shall not be construed to relieve any Unit Owner from the responsibility for paying the cost of unit maintenance and repair or from liability arising from the owner's failure to maintain or repair the owner's unit.
- (D) This Section shall not be construed to limit any party's liability to the Association or to any Unit Owner for such party's wrongful or negligent acts or omissions, nor to limit any right of the Associations or of any Unit Owner to seek reimbursement of any deductible amount paid under this section from a party whose wrongful or negligent acts or omissions caused the damage for which the insurance claim was submitted, as permitted in these Bylaws or otherwise.

#### Section 6.4 Liability Insurance.

- (A) The Board shall obtain and maintain comprehensive general liability including libel, slander, false arrest and invasion of privacy coverage and property damage liability insurance in such limits as the Board may from time to time determine, insuring each director, the Managing Agent, each Unit Owner and the employees of the Council of Unit Owners against any liability to the public or to the Unit Owners and their invitees, licensees, tenants, guests, agents and employees arising out of, or incident to the ownership or use of the common elements.
- (B) Such insurance shall be issued on a comprehensive liability basis and shall contain: 1) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to an action against another named insured; 2) hired and non-owned vehicle coverage; 3) host liquor liability coverage with respect to events sponsored by the Council of Unit Owners; 4) deletion of the normal products exclusion with respect to events sponsored by the Council of Unit Owners; and 5) a "severability of interest" endorsement which shall preclude the insurer from denying liability coverage

to a Unit Owner because of negligent acts of the Council of Unit Owners or of another Unit Owner.

- (C) The Board shall review such limits once each year, but in no event shall such insurance be less than One Million Dollars (\$1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits shall also be obtained in an amount not less than Three Million Dollars (\$3,000,000.00).

**Section 6.5      Other Insurance.** The Board shall obtain and maintain:

- (A) Adequate fidelity coverage to protect against acts or omissions arising from fraud, dishonesty or criminal intent on the part of Officers, Directors, trustees and employees of the Council of Unit Owners and all others who handle, or are responsible for handling funds of the Association, including the Managing Agent. Such fidelity insurance shall: 1) name the Council of Unit Owners as an obligee; 2) be written in an amount as required in Section 11-114.1 of the Condominium Act; and 3) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;
- (B) Flood insurance, if required by any governmental or quasi-governmental agency, including without limitation the FNMA or the FHLMC, in accordance with the then applicable regulations of such agency;
- (C) Workers' compensation insurance if and to the extent necessary to meet the requirements of law including a voluntary employee's endorsement and "all states" endorsement;
- (D) If applicable, pressure, mechanical and electrical equipment including air-conditioning equipment coverage on a comprehensive form in an amount not less than Five Hundred Thousand Dollars (\$500,000.00) per accident per location;
- (E) Directors and Officers liability insurance in an amount not less than One Million Dollars (\$1,000,000.00); and
- (F) Such other insurance as the Board may determine.

**Section 6.6      Separate Insurance.**

- (A) Unit Owner(s) shall maintain a "condominium unit owner insurance policy" on the unit, including if it is leased, at such Unit Owner's expense.
- (B) The policy required under this provision shall provide coverage for loss or damage to the interior of a unit as well as any betterments or improvements not insured by the Association, loss or damage to personal property, damages to other units and common elements, additional living expenses or loss of use of a unit, and personal liability.
- (C) Unit Owner(s) shall provide evidence in writing to the Association of the insurance coverage required under this provision on at least an annual basis or if there is a change in insurance provider.
- (D) The Board, from time to time, may implement the requirements of this section through rules and regulations adopted by the Board in accordance with the Maryland Condominium Act, including, but not limited to, the scope of coverage required, and

the procedures for providing evidence of the insurance coverage required to the Association.

- (E) Notwithstanding the foregoing, no Unit Owner shall acquire or maintain any such insurance coverage so as to decrease the amount which the Board, on behalf of all Unit Owners, may realize under any insurance policy maintained by the Board or to cause any insurance coverage maintained by the Board to be brought into contribution with insurance coverage obtained by a Unit Owner. No Unit Owner shall obtain a separate insurance policy on the Condominium except as provided in Section 6.6.
- (F) Each Unit Owner is an insured person under the insurance policy maintained by the Board with respect to liability arising out of the ownership of an undivided interest in the common elements or membership in the Council of Unit Owners.

**Section 6.7      Insurance Trustee.**

- (A) All property damage insurance policies purchased by the Board shall be for the benefit of the Council of Unit Owners, the Unit Owners, their Mortgagees, as their interests may appear, and shall provide that all proceeds of such policies shall be paid in trust to the Board as "insurance trustee" to be applied pursuant to the terms of Article 7.
- (B) The sole duty of the insurance trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in these Bylaws, for the benefit of the insureds and their beneficiaries thereunder.

**Article 7      Repair and Reconstruction After Fire or Other Casualty**

**Section 7.1      When Repair and Reconstruction are Required.** Except as otherwise provided by law or in Section 7.4, in the event of damage to or destruction of all or any part of the building as a result of fire or other casualty, the Board shall arrange for and supervise the prompt repair and restoration thereof (including any damaged units, and the floor coverings, kitchen or bathroom fixtures and appliances similar to those installed therein by the Declarant, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Unit Owners in the units). Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the repair of the unit.

**Section 7.2      Procedure for Reconstruction and Repair.**

- (A) Cost Estimates. Immediately after a fire or other casualty causing damage to any portion of the building, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring such portion (including any damaged units, any floor coverings, kitchen and bathroom fixtures, and appliances similar to those installed by Declarant, but not including any other furniture, furnishings, fixtures or equipment installed by the Unit Owner in the unit) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the insurance trustee determines to be necessary.
- (B) Assessments. If the proceeds of insurance are not sufficient to defray such estimated costs of reconstruction and repair, or if upon completion of reconstruction and repair the funds for the payment of the costs are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve account and/or shall be deemed a common expense and a special assessment shall be levied.



- (C) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the original construction of the Property, subject to any modifications required by changes in applicable governmental regulations and using contemporary building materials and technology to the extent feasible.

Section 7.3 Disbursements of Construction Funds.

- (A) Construction Fund and Disbursement. The proceeds of insurance collected on account of casualty, and the sums received by the insurance trustee from the funds authorized in Section 7.2(B) shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:
- (1) If the estimated cost of reconstruction and repair is less than five percent (5%) of the total annual assessment for common expenses for that fiscal year, then the construction fund shall be disbursed in payment of such costs upon order of the Board; provided that upon request of twenty percent (20%) of the Mortgagees, such fund shall be disbursed pursuant to paragraph (2).
  - (2) If the estimated cost of reconstruction and repair is five percent (5%) of the total annual assessment for common expenses for that fiscal year or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in Maryland and employed by the insurance trustee to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, suppliers, the architect and other persons who have rendered services or furnished materials in connection with the work stating: a) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished; b) there is no other outstanding indebtedness known to such architect for the services and materials described; and c) the cost as estimated by such architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested.
- (B) Surplus. The first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be divided among all Unit Owners in proportion to their Common Element Interests and shall be distributed in accordance with the priority of interests at law or in equity in each unit.
- (C) Common Elements. When the damage is to both common elements and units, the insurance proceeds shall be applied first to the cost of repairing those portions of the common elements which enclose and service the units, then to the cost of repairing the other common elements and thereafter to the cost of repairing the units.
- (D) Certificate. The insurance trustee shall be entitled to rely upon a certificate executed by the President or Vice President, and the Secretary or Treasurer, certifying: 1) whether the damaged Property is required to be reconstructed and repaired; 2) the name of the

payee and the amount to be paid with respect to disbursement from any construction fund whether surplus funds to be distributed are less than the assessments paid by the Unit Owners; and 3) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the insurance trustee promptly after request.

**Section 7.4**      When Reconstruction is Not Required. Unless the Condominium is terminated, if repair or replacement would be illegal or if eighty percent (80%) of the Unit Owners, including every Unit Owner whose unit or appurtenant limited common element will not be rebuilt, vote not to rebuild, the Board shall use the insurance proceeds to remove all remains of the damaged improvements and restore the site to an acceptable condition compatible with the remainder of the Condominium, distribute the insurance proceeds attributable to the damaged units and limited common elements to the Unit Owners whose units or appurtenant limited common elements are not to be rebuilt and distribute the balance of any insurance proceeds received on account of such damage shall be distributed among all Unit Owners in proportion to their respective Common Element Interests, all in accordance with section 11-114 of the Condominium Act. If the Condominium is terminated pursuant to section 11-123 of the Condominium Act, the net assets of the Condominium together with the net proceeds of insurance policies, if any, shall be divided by the insurance trustee among all Unit Owners in proportion to their respective Common Element Interests, after first paying out of the share of each Unit Owner, to the extent sufficient therefor, the amount of any unpaid liens on the unit in the order of priority of such liens.

## **Article 8      Mortgages**

**Section 8.1**      Notice to Board of Directors. A Unit Owner who mortgages the unit shall notify the Board of the name and address of the Mortgagee and, upon request, shall file a conformed copy of the note and Mortgage with the Board.

**Section 8.2**      Notice of Default, Casualty or Condemnation. The Board when giving notice to any Unit Owner of a default in paying an assessment for common expenses (which remains uncured for sixty (60) days) or any other default, shall simultaneously send a copy of such notice to the Mortgagee of such unit. Each Mortgagee shall also be promptly notified of any casualty when required by Section 6.2(C), of all actions taken under Article 7 and of any taking in condemnation or by eminent domain pursuant to section 11-112 of the Condominium Act and actions of the Council of Unit Owners with respect thereto.

**Section 8.3**      Notice to Mortgagees. Only a Mortgagee that has submitted a written request for notice from the Association of amendment(s) or other extraordinary action(s) referenced in this Article 8 which would affect the interest of such Mortgagee shall be entitled to such notice. The Board shall give notice to such Mortgagees of any proposed material amendments to the Condominium Instruments in accordance with Section 11-104(e)(3) of the Condominium Act.

**Section 8.4**      Notice of Change in Managing Agent. The Board shall give notice to all Mortgagees requesting such notice at least thirty (30) days prior to changing the Managing Agent.

**Section 8.5**      Other Rights of Mortgagees. All Mortgagees or their representatives shall have the right to attend and to speak at meetings of the Council of Unit Owners. All such Mortgagees shall have the right to examine the Condominium Instruments, rules and books and records of the Association, and to receive the audit, annual financial reports and other budgetary information.

**Section 8.6**      Percentage of Mortgagees. Wherever in the Declaration or these Bylaws the approval or consent of a specified percentage of Mortgagees is required, it shall mean the approval or consent of Mortgagees holding security interests in units which in the aggregate have allocated to them such specified percentage of votes in the Association as compared to the total allocated to all units then subject to security interests held by Mortgagees. A Mortgagee that is notified of any proposed amendment(s) to the Condominium Instruments or other matter for which it is entitled to notice as provided in the Declaration or these Bylaws (such notice to be delivered by certified or registered mail, return receipt requested), and which fails to respond within sixty (60) days of receipt of such notice shall be deemed to have consented to the proposed amendment(s) or other matter of which the Mortgagee was provided notice.

## **Article 9      Compliance and Default**

**Section 9.1**      Relief. Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Condominium Instruments and the Condominium Act as any of the same may be amended from time to time. In enforcing the terms of the Condominium Instruments and the Condominium Act, the Council of Unit Owners need not follow the procedures set forth in Section 11-113 of the Condominium Act if circumstances warrant expedited enforcement action. In addition to the remedies provided in the Condominium Act, a default by a Unit Owner shall entitle the Council of Unit Owners, acting through its Board or through the Managing Agent, to the following relief.

- (A) Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by such Unit Owner's act, neglect or carelessness or the act, neglect or carelessness of any member of such Unit Owner's family or such Unit Owner's employees, tenants, agents or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board. Such liability shall include any increase in casualty insurance rates occasioned by use, misuse, occupancy or abandonment of any unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.
- (B) Costs and Attorney's Fees. In any proceedings arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of such proceeding and such reasonable attorney's fees as may be determined by the court. Any costs, including without limitation legal fees, incurred as a result of a failure to comply with the Condominium Act, the Condominium Instruments and the rules by any Unit Owner (or any member of such Unit Owner's household or such Unit Owner's tenants, agents or employees) may be assessed against such Unit Owner's unit.

- (C) No Waiver of Rights. The failure of the Council of Unit Owners, the Board or a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Instruments or the Condominium Act shall not constitute a waiver of the right of the Association, the Board or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Council of Unit Owners, the Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Instruments or the Condominium Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Condominium Instruments or the Condominium Act or at law or in equity.
- (D) Interest. In the event of a default by any Unit Owner in paying any sum assessed against the condominium unit which continues for a period in excess of fifteen (15) days, interest not to exceed eighteen percent (18%) per annum (in accordance with Section 11-110(e) of the Condominium Act) may be imposed in the discretion of the Board on the principal amount unpaid from the date due until paid.
- (E) Abating and Enjoining Violations by Unit Owners. The violation of any of the rules adopted by the Board or the breach of any provision of the Condominium Instruments or the Condominium Act shall give the Board the right, in addition to any other rights set forth in these Bylaws: 1) 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 contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; 2) to use self-help to remove or cure any violation of the Condominium Instruments or the rules on the common elements (including without limitation the towing of vehicles) or in any unit; or 3) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; provided that before any construction may be altered or demolished (except in emergencies) judicial proceedings shall be instituted.
- (F) Legal Proceedings. Failure to comply with any of the terms of the Condominium Instruments and the rules shall be grounds for relief, including without limitation, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws or any combination and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Council of Unit Owners, the Board, the Managing Agent or, if appropriate, by any aggrieved Unit Owner and shall not constitute an election of remedies.
- (G) Fines. Pursuant to Section 11-109 of the Condominium Act, the Board and the Covenants Committee may levy reasonable fines against Unit Owners for violations of the rules, the Condominium Instruments or the Condominium Act. No fine may be levied for more than one percent (1%) of such Unit Owner's annual assessment for any one violation; but each day a violation continues, after notice is given to the Unit Owner, is a separate

violation. If a Unit Owner requests in writing a hearing before the fine is imposed, the imposition of the fine shall be suspended until the hearing is held. Fines are special assessments and shall be collectible as such.

- (H) Other Remedies. The Board may suspend or revoke a Unit Owner's recreational or other privileges for a reasonable period not to exceed the duration of the default or violation if payment of the assessment on the unit is delinquent more than thirty (30) days or for any other violation of the Condominium Instruments or the rules.

## Section 9.2 Lien for Assessments.

- (A) Lien. The total annual assessment of each Unit Owner for common expenses or any special assessment, or any other sum duly levied (including without limitation fines, interest or late charges), made pursuant to these Bylaws, is hereby declared to be a lien levied against the condominium unit of such Unit Owner as provided in Section 11-110 of the Condominium Act and the Maryland Contract Lien Act, which lien shall, with respect to annual assessments, be effective on the first (1st) day of each fiscal year of the Association and, as to special assessments and other sums duly levied, on the first (1st) day of the next month which begins more than seven (7) days after delivery to the Unit Owner of notice of such special assessment or levy. The Board or the Managing Agent may file or record such other or further notice of any such lien, or such other or further document, as may be required to confirm the establishment and priority of such lien.
- (B) Acceleration. In any case where an assessment against a Unit Owner is payable in installments, upon a default by such Unit Owner in the timely payment of any two (2) consecutive installments, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner and such Unit Owner's Mortgagee by the Board or the Managing Agent, in accordance with the Condominium Act.
- (C) Enforcement. The lien for assessments may be enforced and foreclosed in any manner permitted by the laws of the State of Maryland, pursuant to Section 11-110 of the Condominium Act and the Maryland Contract Lien Act or by action in the name of the Board, or the Managing Agent, acting on behalf of the Council of Unit Owners. During the pendency of such proceeding the Unit Owner shall be required to pay a reasonable rental for the unit for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale. The plaintiff in such proceeding shall have the right to the appointment of a receiver, if available under the laws of the State of Maryland.
- (D) Remedies Cumulative. A suit to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien securing the same, and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment.

## Section 9.3 Supplemental Enforcement of the Lien. In addition to the proceedings at law or in equity for the enforcement of the lien established by the Condominium Instruments, the



Condominium Act or the Contract Lien Act, all of the Unit Owners may be required by the Board to execute bonds conditioned upon the faithful performance and payment of the installments of the lien established thereby and may likewise be required to secure the payment of such obligations by recording a declaration of trust in the land records where the Condominium Instruments are recorded granting unto one or more trustees appropriate powers to the end that, upon default in the performance of such bond such declaration of trust may be foreclosed by such trustees acting at the direction of the Board upon reasonable notice to the Unit Owner, and after a reasonable opportunity to be heard. If any such bonds have been executed and such declaration of trust is recorded, then any subsequent purchaser of a unit shall take title subject thereto and shall assume the obligations provided for therein.

**Section 9.4**      Subordination and Mortgage Protection. Notwithstanding any other provisions to the contrary, the lien of any assessment levied pursuant to these Bylaws upon any unit (and any penalties, interest on assessments, late charges or the like) shall be subordinate to, and shall in no way affect the rights of the holder of a Mortgage made in good faith for value received; provided that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such unit pursuant to foreclosure, or any proceeding in lieu of foreclosure; and subject to the Association's priority rights contained in section 11-110 of the Condominium Act. Such sale or transfer shall not relieve the purchaser of the unit at such sale from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment, which lien shall have the same effect and be enforced in the same manner as provided herein.

## **Article 10      Miscellaneous**

**Section 10.1**      Construction. These Condominium Instruments are intended to comply with all of the applicable provisions of the Condominium Act and shall be so interpreted and applied. The failure to comply strictly with the time periods required by the Condominium Instruments, unless also required by the Condominium Act, shall not invalidate any action of the Board or the Council of Unit Owners in the absence of a written objection by a Unit Owner or Mortgagee within ten (10) days after the failure to comply.

**Section 10.2**      Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision herein.

**Section 10.3**      Amendments. These Bylaws may not be modified or amended except as provided the Declaration and in section 11-104(e) of the Condominium Act, as amended, from time to time. All amendments to the Bylaws shall be prepared and recorded by the Secretary.

VANTAGE POINT EAST AT LEISURE WORLD, A CONDOMINIUM  
Maintenance Responsibilities

Exhibit 1 to the Bylaws

ITEMS	II GENERAL COMMON ELEMENTS UNDER ASSOCIATION RESPONSIBILITY	III LIMITED COMMON ELEMENTS UNDER ASSOCIATION RESPONSIBILITY	IV UNIT COMPONENTS UNDER ASSOCIATION RESPONSIBILITY	V CERTAIN OTHER COMPONENTS UNDER UNIT OWNER'S RESPONSIBILITY WITHOUT RESPECT TO OWNERSHIP OF THE COMPONENT
BALCONIES- patios and railing.	-	-	In all regards except routine cleaning.	Routine cleaning.
BUILDING- exterior roof, exterior vertical walls, foundations.	All, in all regards.	-	-	-
DOORS- Balcony and patios.	-	-	In all regards except routine cleaning, latch mechanism and weather-stripping.	Routine cleaning, latch mechanism and weather- stripping.
DOORS- main entry to units.	-	-	All surfaces exposed to corridor including door panel, buck, trim & sill.	Interior of door panel interior trim. Hardware set including lock and door chime assembly and hinges/closures.
ELECTRICAL- related systems & components thereof excluding appliances, fixtures & lights serving only one unit.	All, in all regards.	All, in all regards.	-	All, in all regards for items serving only one unit.
Fire Alarm and Suppression System	All, in all regards.			Smoke detector and carbon monoxide
GROUNDS- including all paved areas and other improvements thereon lying outside the main walls of the building and all underground utility systems.	All, in all regards.	-	-	-

## VANTAGE POINT EAST AT LEISURE WORLD, A CONDOMINIUM

Maintenance Responsibilities

Exhibit 1 to the Bylaws

I ITEMS	II			III			IV			V		
	GENERAL COMMON ELEMENTS UNDER ASSOCIATION RESPONSIBILITY			LIMITED COMMON ELEMENTS UNDER ASSOCIATION RESPONSIBILITY			UNIT COMPONENTS UNDER ASSOCIATION RESPONSIBILITY			CERTAIN OTHER COMPONENTS UNDER UNIT OWNER'S RESPONSIBILITY WITHOUT RESPECT TO OWNERSHIP OF THE COMPONENT		
HVAC- (Heating, ventilating & cooling systems) components thereof.	All, in all regards serving more than one unit.			If any, Same as in Column II			All, in all regards, at the unit owner's expense.			-		
PLUMBING- related systems & components thereof.	All maintenance, repair & replacement of portions of plumbing serving more than one unit. Water damage to common elements or units other than the one which is the primary source of the problem through negligence of the occupants of such units.			If any, same as in Column II			Only to the extent that a malfunction originates outside the unit in which the malfunction occurs or may occur.			All portions within a unit including fixtures & appliances attached hereto.		
PARKING SPACES	All surface parking spaces in all regards.			All underground parking spaces in all regards.			-			-		
REFUSE COLLECTION SYSTEM	All, in all regards.			-			-			-		
SCREENS- (balcony, patio doors and windows).	All which do not serve a Unit, in all regards.			-			-			All which serve the unit in all respects. Replacements to be of same color, grade and style.		
STORAGE AREAS	All, in all regards except routine cleaning			-			-			Routine cleaning.		
WINDOWS	All except for cleaning.						-			Routine cleaning.		

VANTAGE POINT EAST AT LEISURE WORLD, A CONDOMINIUM  
Maintenance Responsibilities

Exhibit 1 to the Bylaws

NOTES

MAINTENANCE RESPONSIBILITIES

This chart and the titles and headings used herein are not intended to describe or encompass all maintenance functions nor to delineate all respective responsibilities between the unit owners, severally, and the Association. The placement of responsibility under any specific column does not always accurately reflect the precise character and nature of ownership. The appropriate sections of the Declaration determine ownership. In many cases maintenance responsibility is allocated to the Unit Owners Association to ensure central maintenance responsibility, uniformity and quality of repair, and to protect community health and safety. Where such maintenance is required due to the negligent or wrongful set or omission of a unit owner (or such unit owner's family, tenants, employees, agents, visitors, guests or pets), the Association will perform the necessary maintenance at the sole expense of the unit owner.

Column I:	Items appearing in this column are illustrative and not exhaustive.
Column II:	<u>General Common Elements Under Association Responsibility.</u> Responsibility for determining and providing for the maintenance, repair and replacement requirements of the general common elements and determining the cost thereof shall be primarily the responsibility of the Board of Directors and such designees to which it may delegate certain such responsibility.
Column III:	<u>Limited Common Elements Under Association Responsibility.</u> Responsibility for determining and providing for the maintenance, repair and replacement requirements of the limited common elements shall be a shared responsibility between the Board and the unit owner of a unit to which a specific limited common element is exclusively appurtenant; <u>provided, however,</u> that the Board shall have the final responsibility for determine the need for and accomplishing maintenance, repair and replacement activities.
Column IV:	<u>Unit Components Under Association Responsibility.</u> The items in this column are legally and by definition a part of a unit but are attached or directly connected to or associated with the general common elements and common expense items in such a way that a clear distinction between unit owner and Association responsibility cannot be made. Moreover, such items frequently involve matters of concern relative to the general health, safety and welfare of all of the occupants of the building. Thus, certain costs which appear to benefit a single unit owner but which may affect other unit owners are declared a common expense, especially when the correct functioning of an activity or element is integral to or supportive of the legally defined common elements and common expense. Heating, cooling and ventilating systems and components thereof are an exception due to the split system being used; the only practical method is to provide for central maintenance responsibility at the individual unit owner's expense.
Column V:	<u>Certain Other Components Under Unit Owner's Responsibility Without Respect to Ownership of the Component.</u> The items in this column are not intended to be exclusive and all encompassing and do not affect responsibilities expressly provided for otherwise.

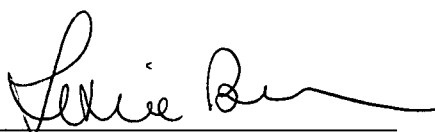
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VANTAGE POINT EAST AT LEISURE WORLD, A CONDOMINIUM

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**ATTORNEY'S CERTIFICATION**

I HEREBY CERTIFY that the foregoing document was prepared by or under the supervision of the undersigned, an attorney duly licensed to practice law before the Court of Appeals of Maryland.

By:   
Leslie Brown, Esq.

Date: 1/22/25

LR - Amendment  
Recording Fee 75.00  
Name: UNIT OWNERS OF  
VANTAGE POINT  
Ref:  
LR - Amendment  
Surcharge 40.00  
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SubTotal:	115.00
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Total:	115.00
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Rockville, Maryland 20850  
Recording and Licensing  
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