

DUPONT EAST COMDOMINIUM
1545 18TH Street, N.W., Washington D.C. 20036-1345

RESALE CERTIFICATION INSPECTION

Unit # 519

Name of Existing Owner(s): Francesco D. Nesci

Inspector: Phil Henry, General Manager Date: July 12, 2016

1. Were there any approved requests by present or former owners for architectural changes, additions, or renovations as prescribed by the Bylaws and the Rules and Regulations?
Yes

If yes, please attach all correspondence.

2. **Convectors:** Have the convectors been changed and if yes, are they in compliance with the Rules and Regulations? Yes

3. **Appliances:** Have washer/dryer, oversized or additional appliances, fireplaces, or extensive wiring been added inside the unit? No

If yes, has approval been granted by the Board? _____

If yes, explain: _____

4. **Window Coverings:** Are the window coverings in compliance with the Bylaws and the Rules and Regulations? Yes

Are the window coverings being sold with the unit? Yes

5. **Other:** Are there any antenna, birdfeeders, plantings, external structures, or signage that have been added or constructed that are not in compliance with the Bylaws and the Rules & Regulations and/or architectural guidelines? No

If yes, please explain:

6. Is there any serious ongoing maintenance, operational or structural problems inherent to this unit which you are aware? (check maintenance records)

If yes, please explain: No

DC Resale Certificate Notice

Dupont East Condominium

Current Owner: Francesco Nesci

Property Address: 1545 18th St. NW Unit: 519

Washington, DC 20036

Buyer: Casey Aboulafia

Buyer Address: 1313 14th St NW

Washington DC, 20005

Requestor Name: Francesco Nesci

Requestor Phone: 914-262-4254

Date Prepared: 07-12-2016

The following Certificate is provided for the benefit of the above-described unit owner and any purchaser(s) thereof, and reflects the herein-stated information as of the date indicated below:

#	Question	Response
1.	Percentage of Ownership:	0.560000000
2.	The effect on the proposed conveyance of any right of first refusal or other restraint on the free alienability of the unit, other than any restraint created by the unit owner, is:	Dupont East Condominium instruments do not create any rights of first refusal to the Board of Directors regarding the sale or lease of any unit. The condominium instruments do not create any right of first refusal or other restraints on the free alienability of any of the condominium units. Notwithstanding the above, as noted in the Condominiums Public Offering Statement, only owners of apartment units may own a parking space units and not more than one parking unit per apartments is permitted. Attach is a copy of the relevant pages of the Public Offering Statement.
3.	The regular assessment amount is:	Current Monthly Operating Assessment for unit #519 is \$639.00, and Parking Space #P042 Fee is \$10.00. Total: \$649.00.
4.	The regular assessment is paid every:	Due the first of every month.
5.	Is the account with the Association's attorney?	No
6.	The Attorney contact information:	Rapaport & Skalny, LLC 11201 Wincopin Circle #600 Columbia, MD 21044

DC Resale Certificate Notice

Dupont East Condominium

#	Question	Response
7.	The amount of any unpaid common expense or special assessment currently due and payable from the selling unit owner is:	0
8.	The owner's unpaid amount breakdown:	529.00
9.	Late fee amount due (\$):	\$25.00
10.	Late fee due by what day of the month?	Payment received after the 15th will incur a late fee.
11.	Is there a special assessment for the unit?	No.
12.	Special assessment start date:	N/A.
13.	Special assessment end date:	N/A.
14.	Amount of Special Assessment levied against the unit (\$):	None.
15.	Reason for special assessment:	N/A.
16.	Is there a right of first refusal?	No
17.	Current amount in reserve account (\$):	1,536,605.23.
18.	The Audited financial's year:	Attached to this Certificate and made a part hereof is a copy of the latest audited financial statement of the Council for year ended December 31, 2014.
19.	Are there unsatisfied judgments?	None
20.	Is there any litigation with specific member?	No.
21.	Describe capital expenditures:	

DC Resale Certificate Notice

Dupont East Condominium

#	Question	Response
	<p>The Capitol Expenditures are based on the most recent Engineering Study (2012). The Board and Management review the Reserves for Replacement annually during the budget process. During this review, changes are made based on actual estimated costs and anticipated life expectancy of building components. These are funded by unit owners annual contributions. The following estimated expenditures are based on the current 2015 Approved Reserves for Replacement Schedule.</p> <p>Capitol Expenditures Anticipated 2015 2016 Replacement funds are being allocated for the following items:</p> <p>Entrance canopy \$33,500 Expansion tank \$10,000 Roof Deck Furnishings \$ 7,500 Tuck pointing and masonry repairs \$24,750 Tuck pointing and masonry repairs \$260,000 Caulking \$49,000 Doors \$7,500 Backup Generator \$30,000 Stair Treads \$33,000</p>	
22.	Insurance Agent Contact information:	<p>A Certificate of Insurance for Dupont East Condominium's current insurance coverage may be obtained through a written request to: Condo/Co-op Certificate Request</p> <p>USI Insurance Services, LLC 3190 Fariview Park Drive Suite 400 Falls Church, VA 22042-4548 (703) 698-0788</p>
23.	Describe any violations:	<p>To our knowledge, no improvements or alterations, if any, made to the above-referenced unit or the limited common elements assigned thereto made by the prior unit owner are in violation of the condominium instruments for Dupont East, UNLESS NOTED.</p>
24.	Are there leasehold estates?	<p>No</p>
25.	Has office received any notices of code violations?	

DC Resale Certificate Notice

Dupont East Condominium

#	Question	Response
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	To our knowledge, no improvements or alterations, if any, made to the above-referenced unit or the limited common elements assigned thereto made by the prior unit owner are in violation of the condominium instruments for Dupont East, UNLESS NOTED.	
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26. File transfer and set-up fee (\$):

Collect \$50.00 transfer fee from buyer payable to CFM Management.

Information contained in this Certificate of Resale is provided as of the date of issuance and to the best knowledge and belief of the Agent. Information may be inaccurate or incomplete after the date of issuance.

The information above was obtained by the following representative of the project's Homeowners Association

Name: Rosa Maradiaga

Phone: 703-941-0818 Ext: 305

Title: Accounts Receivables Supervisor

Date: 07-12-2016

DC Resale Certificate Notice

Dupont East Condominium

Comments

NOTES TO SETTLEMENT OFFICER

1. To ensure that there are no delays in settlement of this unit, it is requested that you contact the office of our financial services agent, CFM Management Services at (703) 941-0818 at least 48 hours in advance of settlement to ascertain current balances of Seller. CFM Management Services provides financial services to Dupont East's management agent, CFM Management Services.

2. To ensure that proper credits and charges are applied to Buyer and Seller, it is imperative that (a) all checks be made payable to the Association and (b) that a copy of the Settlement Sheet be sent immediately after closing takes place (Attn: Rosa Maradiaga).

We cannot move in the Purchaser and establish the account until the Settlement Sheet is received in the financial services agents office. Failure to provide the Settlement Sheet will result in late charges being applied to the account as well as a delay in establishing the account. Your assistance will help us serve both parties to this transaction.

Please send the Settlement Sheet and any Funds collected to:

CFM MANAGEMENT SERVICES

5250 Cherokee Avenue, Suite 100

Alexandria, VA 22312

Attention: Rosa Maradiaga

3. A move-in will not be permitted under any circumstances unless:

a. The Management Company, CFM, has provided a notice in writing to the Building Manager that title to a unit has been transferred to the move-in applicant;

b. For Rental Units: An executed copy in triplicate of a completed Dupont East lease must be provided to the Building Manager for approval before a move-in will be scheduled.

c. Move-ins must be scheduled with the Building Manager at least 5 days in advance of moving in.

d. A non-refundable fee of \$250.00 is required for all move-ins plus a refundable deposit of \$25.00 for the exclusive use of the elevator.

NEW OWNER IS NOT TO USE PREVIOUS OWNERS COUPONS. FIRST PAYMENTS ARE TO BE SENT TO THE ABOVE ADDRESS AND ATTENTION OF NAMED INDIVIDUAL.

Insurance Dec Page
Dupont East Condominium

ACORDTM**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

10/02/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services LLC 3190 Fairview Park Drive Suite 400 Falls Church, VA 22042-4546	CONTACT NAME: USI INSURANCE SERVICES, LLC PHONE (A/C, No, Ext): 703 698-0788 FAX (A/C, No): 610 362-8377 E-MAIL ADDRESS: usi.certrequest.com														
INSURED Dupont East Condominium Association c/o CFM Management Services 5250 Cherokee Avenue, Suite 100 Alexandria, VA 22312	<table border="1"> <thead> <tr> <th data-bbox="816 426 1433 453">INSURER(S) AFFORDING COVERAGE</th> <th data-bbox="1433 426 1572 453">NAIC #</th> </tr> </thead> <tbody> <tr> <td data-bbox="816 453 1433 485">INSURER A : Hanover American Insurance Comp</td> <td data-bbox="1433 453 1572 485">36064</td> </tr> <tr> <td data-bbox="816 485 1433 516">INSURER B : Continental Casualty Company</td> <td data-bbox="1433 485 1572 516">20443</td> </tr> <tr> <td data-bbox="816 516 1433 548">INSURER C :</td> <td data-bbox="1433 516 1572 548"></td> </tr> <tr> <td data-bbox="816 548 1433 579">INSURER D :</td> <td data-bbox="1433 548 1572 579"></td> </tr> <tr> <td data-bbox="816 579 1433 611">INSURER E :</td> <td data-bbox="1433 579 1572 611"></td> </tr> <tr> <td data-bbox="816 611 1433 636">INSURER F :</td> <td data-bbox="1433 611 1572 636"></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Hanover American Insurance Comp	36064	INSURER B : Continental Casualty Company	20443	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER F :															

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ZZR888451305	10/05/2015	10/05/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Building			ZZR888451305	10/05/2015	10/05/2016	\$26,409,614/RC 100%
B	Crime/Fidelity			0250882507	10/05/2015	10/05/2016	\$2,000,000/\$15,000 Ded

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Type of Coverage: Single Entity Coverage for unit interior to original plans and specs. Coverage is extended to common areas and amenities.

Improvements & Betterments: Excluded

(See Attached Descriptions)

CERTIFICATE HOLDER**CANCELLATION****FOR EVIDENCE OF INSURANCE**

For individual COI requests

fax: 610-362-8377 OR

email: usi.certrequest.com OR

www.usicondo.com

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Stephen W. Dickinson

DESCRIPTIONS (Continued from Page 1)

Personal Belongings: Excluded

Unit owner should purchase an HO-6 policy for improvements and personal belongings/liability, etc.

Causes of Loss: Special Form

Replacement Cost: 100%

Coinsurance: Does not apply

Property Deductible: \$5,000

Number of Units: 195

Inflation Guard: Not included

Wind/hail: Not excluded

Cancellation Provision: 10 days for non-payment and 30 days for any other reasons. The carrier will only notify the named insured.

Ordinance/Law Coverage

Policy #ZZR888451305

Carrier: Hanover American Insurance Company

Effective dates: 10/05/2015 10/05/2016

Limits: Undamaged portion: Full building coverage

Increased Cost of Construction: \$1,000,000

Demolition: \$1,000,000

Boiler & Machinery (Equipment Breakdown)

Policy #ZZR888451305

Carrier: Hanover American Insurance Company

Effective dates: 10/05/2015 10/05/2016

Limit: Included in building limit

Separation Of Insureds clause included on GL policy # ZZR888451305.

The Fidelity bond includes coverage for the contracted Property Manager: CFM Management Services & Its employees

Bylaws
Dupont East Condominium

Bylaws

A.) Amendment June 1, 1983

DUPONT EAST CONDOMINIUM

BYLAWS

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DUPONT EAST CONDOMINIUM

BYLAWS

ARTICLE I

Plan of Unit Ownership

Section 1. Recordation. The Property*, located in the District of Columbia at 1545-18th Street, N.W., and more particularly described in the Declaration, has been submitted to the provisions of the Condominium Act by recordation simultaneously herewith of the Declaration among the land records of the District of Columbia in Condominium Book _____ at Page _____.

Section 2. Compliance. Every Unit Owner and all those entitled to occupy a Unit shall comply with these Bylaws. The administration and management of the Condominium and the actions of the Unit Owners and the Unit Owners' Association and its Board of Directors and Officers shall be governed by the Bylaws. All present and future Unit Owners and their tenants, licensees, invitees, servants, agents, employees and any other person or persons that shall be permitted to use the Condominium shall be subject to the Bylaws and to the Rules and Regulations of the Association. Acquisition, rental or occupancy of any Unit shall be conclusively deemed to mean that the Unit Owner, tenant or occupant has accepted and ratified the Bylaws and the Rules and Regulations of the Association and will comply with them.

Section 3. Office. The office of the Condominium, the Unit Owners' Association, 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.

Section 4. Title to Units. Title to a Unit may be taken in the name of one or more persons in any manner permitted by law.

ARTICLE II

Unit Owners' Association

Section 1. Composition. All of the Unit Owners, acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute the Unit Owners' Association. For all purposes the Unit Owners' Association shall act merely as an agent for the Unit Owners as a group. Any Unit Owner, upon acquiring title to his Unit, shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such Unit ceases for any reason, at which time his membership in the Association shall automatically cease; provided, however, that any person who holds any interest in a Unit solely as security for the performance of an obligation shall not be a member of the Association.

Section 2. Responsibilities. The Unit Owners' Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the contributions

* Capitalized 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 102 of the District of Columbia Condominium Act.

to the Common Expenses, 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 Unit Owners' Association, by the Condominium Act and the Declaration. Except as to those matters which the Condominium Act specifically requires to be performed by the vote of the Unit Owners' Association, the foregoing responsibilities shall be performed by the Board of Directors or Managing Agent as more particularly set forth in Article III of these Bylaws.

Section 3. Initial Operation of the Condominium.

(a) Subject to the provisions of subsection (b) of this Section 3, the Declarant, or a Managing Agent, or some other person or persons selected by the Declarant may appoint and remove all of the members of the Board of Directors or exercise powers and responsibilities otherwise assigned by the Condominium Instruments and by the Condominium Act to the Unit Owners' Association, its officers or the Board of Directors. The Declarant's power as provided herein shall not continue beyond a period of two (2) years from the settlement of the first Unit sold by the Declarant, or after three-fourths of the undivided interests in the Common Elements have been conveyed, whichever occurs first.

(b) Notwithstanding subsection (a) of this Section 3, not later than the time that Units to which twenty-five percent (25%) of the undivided interests in the Common Elements appertain have been conveyed, the Unit Owners' Association shall cause a special meeting to be held at which two members of the Board of Directors shall be selected by Unit Owners other than Declarant. If one or more of the persons so selected are not incumbent Board members, the Declarant shall remove incumbent members of the Board who were selected pursuant to subsection (a) of this Section who shall be replaced by the persons selected by the Unit Owners other than the Declarant.

Section 4. First Annual Meeting. Promptly after deeds of conveyance representing more than three-fourths of the interest in the Common Elements have been conveyed or after the passage of two years from the settlement of the first Unit sold by the Declarant, whichever occurs first, the Declarant shall so notify the Unit Owners and the first annual meeting of the Unit Owners' Association shall be called within ninety (90) days thereafter. At that meeting, all of the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall elect a new Board of Directors for the terms set forth in Section 4 of Article III of these Bylaws and conduct such other business as may be appropriate for an annual meeting of the Unit Owners' Association.

Section 5. Annual Meetings. Following the first annual meeting of the Unit Owners' Association, subsequent Annual Meetings shall be held on the first day of June of each succeeding year. In the event such day shall occur on a Saturday, Sunday or a holiday, the meeting shall be held on the succeeding Monday. At such Annual Meetings, the Board of Directors shall be elected by ballot of the Unit Owners in accordance with Section 4 of Article III of these Bylaws.

Section 6. Place of Meetings. Meetings of the Unit Owners' Association shall be held at the principal office of the Unit Owners' Association or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Directors.

Section 7. Special Meetings. In addition to the Special Meetings provided under Section 3(b) of these Bylaws, it shall be the duty of the President to call a special meeting of the Unit Owners' Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary-Treasurer by Unit Owners of not less than twenty-five percent (25%) of the aggregate Ownership Interests. The notice of any special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 8. Notice of Meetings. The Secretary-Treasurer shall mail to each Unit Owner a notice of each annual or regularly scheduled meeting of the Unit Owners at least twenty-one (21) but not more than thirty (30) days, and of each special meeting of the Unit Owners at least seven (7), but not more than thirty (30) days, prior to such meeting, stating the time, place and purpose thereof. The mailing of a notice of meeting in the manner provided in this Section and Section 1 of Article XII of the Bylaws shall be considered service of notice.

Section 9. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Unit Owners of fifty percent (50%) or more of the aggregate Ownership Interests shall constitute a quorum at all meetings of the Unit Owners' Association.

Section 10. Adjournment of Meetings. If at any meeting of the Unit Owners' Association a quorum is not present, Unit Owners of a majority of the Ownership Interests who are present at such meeting in person or by proxy may adjourn the meeting to a time not less than forty-eight (48) hours after the time the original meeting was called.

Section 11. Order of Business. The order of business at all annual meetings of the Unit Owners' Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Directors.
- (f) Reports of committees.
- (g) Election of inspectors of election (when so required).
- (h) Election of members of the Board of Directors (when so required).
- (i) Unfinished business.
- (j) New business.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Unit Owners' Association and the Secretary-Treasurer 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 Unit Owners' Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Unit Owners' Association when not in conflict with the Declaration, these Bylaws, or the Condominium Act.

Section 13. Voting. (a) Each Unit shall be entitled to vote at meetings of the Unit Owners' Association on the basis of

its respective proportionate share of Ownership Interest in the Common Elements as shown on Exhibit C attached to the Declaration. All votes shall be tallied by tellers appointed by the President.

(b) Where the ownership of a Unit is in more than one Person, the Person who shall be entitled to cast the vote of such Unit shall be the Person named in a certificate executed by all of the owners of such Unit and filed with the Secretary-Treasurer 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 Person owning such Unit is present, then such vote shall be cast only in accordance with their unanimous agreement pursuant to Section 305(c) of the Condominium Act. Such certificate shall be valid until revoked by a subsequent certificate similarly executed.

(c) Wherever the approval or disapproval of a Unit Owner is required by the Condominium Act, the Declaration or these Bylaws, 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 Unit Owners' Association.

(d) Except where a greater number is required by the Condominium Act, the Declaration or these Bylaws, a majority of the Unit Owners present in person or by proxy is required to adopt decisions at any meeting of the Unit Owners' Association.

(e) If the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Unit Owners' Association to cast the votes to which such Unit or Units are entitled.

(f) No votes in the Unit Owners' Association shall be deemed to appertain to any Condominium Unit during such time as the Unit Owner thereof is the Unit Owners' Association.

(g) No Unit Owner shall vote at any meeting of the Unit Owners' Association or be elected to or serve on the Board of Directors if the Unit Owners' Association has commenced an action to enforce a lien against his Unit and the claim remains unsatisfied at the time of such meeting or election.

(h) In the event fifty percent (50%) or more of the votes in the Unit Owners' Association appertain to twenty-five percent (25%) or less of the Units, then in any case where a majority vote is required by these Bylaws or the Condominium Act, the requirement for such a majority shall be deemed to include, in addition to the specified number of votes, assent by the Unit Owners of a like majority of the Units.

Section 14. Proxies. A vote may be cast in person or by proxy. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein, or any adjournment thereof, shall be duly acknowledged, and must be filed with the Secretary-Treasurer before the appointed time of the meeting or at the meeting prior to its exercise. Such proxy shall be revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from any of the Persons owning such Unit, by executing and filing a later dated proxy or revocation, or by appearance and voting in person. A proxy to be valid must be dated, must not purport to be revocable without notice as aforesaid, and must be duly acknowledged.

ARTICLE III

Board of Directors

Section 1. Number and Qualification. (a) The affairs of the Unit Owners' Association shall be governed by a Board of Directors.

(b) Until deeds of conveyance representing more than twenty-five percent (25%) of the aggregate Ownership Interests shall have been delivered to Unit Owners by the Declarant, or until the expiration of two (2) years from the settlement of the first Unit sold by the Declarant, whichever occurs first, the Board of Directors shall consist of such persons as may be designated by the Declarant. Thereafter, the members of the Board shall be selected as set forth in Article II, Section 3 of these Bylaws.

(c) The Board of Directors shall be composed of five (5) persons, all of whom shall be Unit Owners or spouses of Unit Owners or designees of the Declarant; provided, however, that, anything in these Bylaws to the contrary notwithstanding, so long as the Declarant owns Units representing twenty-five percent (25%) or more of the aggregate Ownership Interests (but in no event after the expiration of the maximum time permitted by Section 302(a) of the Condominium Act) a majority of the members of the Board of Directors shall be designated by the Declarant. The Declarant appointees need not be residents, nor Unit owners, of the Condominium, and the Declarant shall have the right in its sole discretion to replace such Directors as may be so designated, and to designate their successors.

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Unit Owners' Association. In carrying out such powers and duties, the Board of Directors may take all actions other than any that are required by the Condominium Act, by the Declaration, or by these Bylaws to be exercised and done solely by the Unit Owners' Association. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the benefit and enjoyment of the Condominium; provided, however, that such Rules and Regulations shall not be in conflict with the Condominium Act, the Declaration, or these Bylaws. The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the Managing Agent, which may arise between meetings of the Board of Directors. In addition to the duties imposed by these Bylaws or by any resolution of the Unit Owners' Association that may hereafter be adopted, the Board of Directors shall on behalf of the Unit Owners' Association:

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

(b) Make assessments against Unit Owners to defray the costs and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners, and establish the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the Board of Directors, the annual assessment against each Unit Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for such month.

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

(d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements and provide services for the 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 thereof in bank depositories designated by the Board of Directors, and use the proceeds to carry out the administration of the Property.

(f) Make and amend the Rules and Regulations.

(g) Open bank accounts on behalf of the Unit Owners' Association and designate the signatories thereon.

(h) Make, or contract for the making of, repairs, additions and 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.

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

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

(k) Pay the cost of all authorized services rendered to the Unit Owners' Association and not billed to Unit Owners of individual Units or otherwise provided for in these Bylaws.

(l) Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Property, and the administration of the Condominium, specifying the expenses of maintenance and repair of the Common Elements and any other expenses incurred. Such books and vouchers accrediting the entries thereupon shall be available for examination by the Unit Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner set and announced by the Board of Directors for the general knowledge of the Unit Owners. All books and records shall be kept in accordance with good and accepted accounting practices, and the same shall be audited at least once each year by an independent certified public accountant retained by the Board of Directors who shall not be a resident of the Condominium or a Unit Owner. The cost of such audit shall be a Common Expense.

(m) 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 thirty (30) days.

(n) Borrow money on behalf of the Condominium when required in connection with any one instance relating to the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of at least two-thirds in number and in Ownership Interest of all Unit Owners, obtained 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 Ten Thousand Dollars (\$10,000), and (ii) no lien to secure repayment of any sum borrowed may be created on any Condominium Unit and the Mortgagee. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this paragraph (n) is not repaid by the Unit Owners' Association, a Unit Owner who pays to the creditor such proportion thereof as his Ownership Interest bears to the total Ownership Interests 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.

(o) Do such other things and acts not inconsistent with the Condominium Act, the Declaration, or these Bylaws which the Board of Directors may be authorized to do by a resolution of the Unit Owners' Association.

Section 3. Managing Agent. The Board of Directors shall employ for the Condominium a Managing Agent at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including but not limited to the duties listed in paragraphs (a), (c), (d), (e), (h), (i), (j), (k), (l), (m), and (p) of Section 2 of this Article III. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (b), (f), (g), (n) and (o) of Section 2 of this Article III. Subject to the provisions of Section 302(b) of the Condominium Act, during the period when persons designated by the Declarant constitute a majority of the Board of Directors, the Board of Directors may employ a Managing Agent for a term not to exceed two (2) years. The Unit Owners' Association and the Board of Directors shall not undertake "self-management" or fail to employ a Managing Agent. Nor shall the Unit Owners' Association employ a new Managing Agent without thirty (30) days' prior written notice to, and approval by, Mortgagees holding Mortgages on fifty-one percent (51%) or more of Units encumbered by Mortgages. Any contract with the Managing Agent must provide that it may be terminated for cause on no more than thirty days' written notice, and that either party may terminate without cause or payment of a termination fee on no more than ninety (90) days' written notice. The term of any such contract may not exceed three (3) years, subject, however, to the provisions of Section 302 of the Condominium Act. The Declarant, or an affiliate of the Declarant, may be employed as Managing Agent.

Section 4. Election and Term of Office. At the first Annual Meeting of the Unit Owners' Association held pursuant to Article II, Section 4 of these Bylaws, the initial term of office of two members of the Board of Directors shall be fixed at three years, the initial term of office of two members of the Board of Directors shall be fixed at two years, and the initial term of office of one member of the Board of Directors shall be fixed at one year. At the expiration of the initial term of office of each member of this initial Board of Directors, a successor shall be elected to serve for a term of three years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Unit Owners' Association.

Section 5. Removal or Resignation of Members of the Board of Directors. Except with respect to directors designated by Declarant, at any regular or special meeting duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a majority 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 member of the Board of Directors may resign at any time and shall be deemed to have resigned upon disposition of his Unit as provided for officers in Section 306 of the Condominium Act.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of a majority of the Unit Owners as provided in the immediately preceding Section 5 shall be filled by a vote of a majority of the remaining directors at a special meeting of the Board of Directors 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. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member who vacated his directorship or until a successor shall be elected to serve the remainder of the term at the next annual meeting of the Unit Owners' Association. Notwithstanding anything to the contrary in this Section or in the preceding Section 5, so long as the Declarant owns twenty-five percent (25%) or more of the aggregate Ownership Interests (but in no event after the expiration of the maximum time permitted by Section 302(a) of the Condominium Act), the Declarant shall designate the successor to any resigned or removed member previously designated by the Declarant.

Section 7. Organization Meeting. The first meeting of the Board of Directors following each annual meeting of the Unit Owners' Association shall be held within ten (10) days thereafter. Such Board of Directors meeting shall be held at such time and place as shall be fixed by the Unit Owners' Association at the annual meeting. No notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute the first meeting of the Board of Directors, providing a majority of the whole Board of Directors shall be present at such meeting.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, by mail or telegraph, at least five (5) business days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on five business days notice to each director, given by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary-Treasurer in like manner and on like notice on the written request of at least two directors.

Section 10. Waiver of Notice. Any director may at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall constitute a waiver of notice by him of

the time, place and purpose of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Directors. Except as provided in section 6 of this Article, at all meetings of the Board of Directors, 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 of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 12. Fidelity Bonds. As required by section 2(d) of Article VI, there shall be obtained fidelity bonds in an amount not less than Fifty Thousand Dollars (\$50,000) or not less than one and one-half times the estimated annual operating expenses of the Condominium, including reserves and escrows, whichever amount is greater, for all officers, directors and employees of the Unit Owners' Association, including without limitation the Managing Agent, handling or responsible for Condominium funds. The fidelity bonds shall designate the Association as the named insured. The premiums on such bonds shall constitute a Common Expense.

Section 13. Compensation. No director shall receive any compensation from the Condominium for acting as a director.

Section 14. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary-Treasurer shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws, or the Condominium Act.

Section 15. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 16. Liability of the Board of Directors, Officers, Unit Owners and Unit Owners' Association. (a) The officers and members of the Board of Directors shall not be liable to the Unit Owners' Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners' Association 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 of Directors on behalf of the Unit Owners' Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Condominium Act, the Declaration or these Bylaws. Officers and members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Unit Owners' Association except for individual willful misconduct or bad faith.

(b) A judgment for money against the Unit Owners' Association arising out of the aforesaid indemnity in favor of the members of the Board of Directors or officers, or for damages as a result of injuries arising in connection with the Common Elements

or for liabilities incurred by the Unit Owners' Association, shall, in accordance with Section 309(d) of the Condominium Act, be a lien against the Property owned by the Association and against each of the Condominium Units in proportion to the liability of each Unit Owner for Common Expenses, but no Unit Owner shall be otherwise liable on account of such judgment. Any such judgment shall be satisfied first out of the Property of the Association.

(c) Every agreement made by the officers, the Board of Directors or the Managing Agent on behalf of the Unit Owners' Association shall, if obtainable, provide that the officers, the members of the Board of Directors or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners' Association and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited as aforesaid in accordance with Section 309(d) of the Condominium Act.

(d) The Unit Owners' Association shall not be liable for any failure of water supply or other services to be obtained by the Unit Owners' 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 any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment. The Unit Owners' Association shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any assessments, as 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 Unit Owners' Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

Section 17. Common or Interested Directors. Each member of the Board of Directors shall exercise his powers and duties in good faith and with a view to the interests of the Condominium as a whole. No contract or other transaction between the Unit Owners' Association and any corporation, firm or association (including the Declarant) in which any of the directors of the Unit Owners' 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 of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

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

(b) The fact of the common 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 Unit Owners' Association 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 at any meeting of the Board of

Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote at such meeting to authorize any contract or transaction with like force and effect as if such director were not such director or officer of such Unit Owners' Association or not so interested.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Unit Owners' Association shall be the President, the Vice President, and the Secretary-Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The President and Vice President shall be members of the Board of Directors. Any other officers may, but need not, be Unit Owners or members of the Board of Directors.

Section 2. Election of Officers. The officers of the Unit Owners' Association shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall: be the chief executive officer of the Unit Owners' Association; preside at all meetings of the Unit Owners' Association and of the Board of Directors; and have all of the general powers and duties which are incident to the office of president of a corporation organized under the District of Columbia Business Corporation Act, including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Unit Owners' Association.

Section 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 of Directors shall appoint some other member of the Board of Directors 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 upon him by the Board of Directors or by the President.

Section 6. Secretary-Treasurer. The Secretary-Treasurer shall keep the minutes of all meetings of the Unit Owners' Association and of the Board of Directors; have charge of such books and papers as the Board of Directors may direct; have the responsibility for Unit Owners' Association funds and securities, and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data; and be responsible for the deposit of all monies and other valuable effects in the

name of the Board of Directors, the Unit Owners' Association or the Managing Agent, in such depositories as may from time to time be designated by the Board of Directors. The Secretary-Treasurer shall maintain a register setting forth the place to which all notices to Unit Owners and Mortgagees hereunder shall be delivered and, in general, perform all the duties incident to the offices of secretary and treasurer of a corporation organized under the District of Columbia Business Corporation Act.

Section 7. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Unit Owners' Association for expenditures or obligations in excess of Twenty-Five Hundred Dollars (\$2,500) shall be executed by any two persons designated by the Board of Directors. All such instruments for expenditures or obligations of Twenty-Five Hundred Dollars or less may be executed by any one person designated by the Board of Directors.

Section 8. Compensation of Officers. No officer who is also a director shall receive any compensation from the Unit Owners' Association for acting as an officer.

ARTICLE V

Operation of the Property

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

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

(b) **Preparation and Approval of Budget.**

(1) Subject to the provisions of Section 1(e) of this Article V, on or before the fifteenth day of September of each year (or 105 days before the beginning of the fiscal year), the Board of Directors shall adopt a budget for the Unit Owners' Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws, or a resolution of the Unit Owners' 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. Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements.

(2) On or before the next succeeding first day of November (or 60 days before the beginning of the fiscal year), the Board of Directors shall send to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the Common Expenses and any special assessment payable by each Unit Owner. Such budget shall constitute the basis for determining each Unit Owner's assessment for the Common Expenses of the Unit Owners' Association.

(c) Assessment and Payment of Common Expenses.

subject to the provisions of Section 1(a) of Article IX hereof and Section 1(e) of this Article V, the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Board of Directors shall be assessed against each Unit Owner in proportion to his respective Ownership Interest; provided, however, that all such required funds for Common Expenses allocable to the parking garage shall be assessed only against those Unit Owners who own Parking Units in the garage in proportion to the respective Ownership Interests of the Parking Units they own; and that all such required funds for Common Expenses allocable to the Parking Units outside the garage shall be assessed only against those Unit owners who own Parking Units outside the garage, in proportion to the respective Ownership Interests in the Parking Units they own. All such assessments shall be a lien against each Unit Owner's Unit as provided in Article IX, Section 2 of these Bylaws. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors), one-twelfth (1/12th) of such assessment. Within 60 days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners and to each Mortgagee an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves may, if the Board of Directors deems it advisable, be either distributed to the Unit Owners according to each Unit Owner's Ownership Interest or credited according to each Unit Owner's Ownership Interest to the next monthly installments due from Unit Owners under the current fiscal year's budget, until exhausted. Any net shortage shall be assessed promptly against the Unit Owners in accordance with their Ownership Interests and shall be payable either: (1) in full with payment of the next monthly assessment due; or (2) in not more than six equal monthly installments, as the Board of Directors may determine.

(d) Reserves, Special Assessments.

Subject to the provisions of Section 1(e) of this Article V, the Board of Directors shall accumulate and maintain reasonable reserves for working capital, operations, contingencies, replacements, and reasonable amounts with respect to the insurance "deductible" set forth in Article VI, Section 1, paragraph (g). If the reserves are inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Unit Owners according to their respective Ownership Interests (with the exception of such reserves as may relate to the parking garage or the Parking Units outside the garage, which further assessment shall be made only upon those Unit Owners who own Parking Units in the garage or outside the garage, as the case may be, in proportion to the respective Ownership Interests of the Parking Units they own in the garage or outside the garage, as the case may be), and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if such further assessment is not payable in installments, the amount of such assessment. Such assessment shall be a lien as of the effective date as set forth in the preceding paragraph (c).

(e) Initial Assessment. (1) Notwithstanding any provision of this Section 1 to the contrary, when the first Board of Directors elected or designated pursuant to these Bylaws takes office it shall establish the following budgets for the initial operation of the Condominium:

a. Budget No. 1 shall apply during the period commencing thirty (30) days after such election or designation and ending the day the first Unit is conveyed by Declarant to a bona fide purchaser.

b. Budget No. 2 shall apply from the day the first Unit is conveyed by Declarant to a bona fide purchaser until more than seventy-five percent (75%) of the aggregate Ownership Interests are owned by persons other than Declarant or for a period of two (2) years, whichever comes first.

c. Budget No. 3 shall be the projected budget from the expiration of Budget No. 2 for the following twelve (12) month period and continuing thereon until the next December 31.

Assessments shall be levied on Declarant during the period covered by Budget No. 1 in the manner set forth in subsection (c) of this Section 1. Upon the conveyance of the first Unit by Declarant, Budget No. 2 shall be instituted in place of Budget No. 1 and all Unit Owners, including Declarant, shall thereafter pay their respective shares of assessments levied in accordance with the provisions of subsection (c) of this Section 1. The Condominium shall institute Budget No. 3 in the manner provided in this Section 1 with respect to all other budgets.

(2) The Declarant, as the agent of the Board of Directors, will collect from each initial Purchaser at the time of settlement on his Unit a working capital assessment equivalent to Declarant's estimate of the monthly assessment for such Unit under the budget which is in effect as of the close of business on the date of settlement. The Declarant will deliver the funds so collected to the Board of Directors to provide working capital for the Unit Owners' Association.

(3) Notwithstanding the provisions of subsection (d) of this Section 1, the Board of Directors may provide for reserves in Budget No. 1 or Budget No. 2 only if, in its discretion, it determines such reserve accumulations are necessary in view of the fact that Declarant may be engaged in performing or completing initial construction and/or renovation of Common Elements or is otherwise subject to its warranty obligations during the periods covered by such budgets.

(4) After the institution of Budget No. 2 and Budget No. 3 the Board of Directors shall promptly cause to be made an itemized accounting of the Common Expenses actually incurred and accrued for each such prior term, together with a tabulation of the amounts collected pursuant to such budget and showing the net amount over or short of actual expenses incurred or accrued. Any amount accumulated in excess of the amount required for actual and accrued expenses will, at the election of the Board of Directors, be either distributed to the Unit Owners in proportion to each Unit Owner's contributions towards such expenses or credited to the next monthly installments due from such Unit Owners under the current budget. Any net shortage shall be assessed promptly against the Unit Owners in proportion to their respective contributions and shall be payable either in full with the payment of the next monthly assessment due or in not more than six (6) equal monthly installments, as the Board of Directors may determine.

(f) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined. In the event of such a failure or delay in the preparation or adoption of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notice of the new monthly payment which shall become due sixty (60) days after such new annual or adjusted budget shall have been delivered to the Unit Owners, as set forth in paragraphs (b) and (c) of this Section.

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

Section 2. Payment of Common Expenses. Each Unit Owner shall pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit. No former Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recordation of a conveyance by him in fee of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefor; provided, however, that any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Unit Owner within five (5) business days following a written request therefor to the Board of Directors or Managing Agent, and such purchaser shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth; and provided, further, that each Mortgagee or other purchaser of a Unit who obtains title to a Condominium Unit by virtue of foreclosure or pursuant to remedies provided in such Mortgage, or by deed or assignment in lieu of foreclosure, together with its successors and assigns ("Permitted Mortgagees") shall not be liable for, and shall take the Condominium Unit free of, any claims for unpaid assessments or charges against such Unit which accrue prior to the time such Permitted Mortgagee acquires title thereto as aforesaid. Any such unpaid share of Common Expenses assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee as aforesaid shall be collectible from all Unit Owners, including said Permitted Mortgagee, in proportion to their respective Percentage Interests.

Section 3. Collection of Assessments. The Board of Directors or the Managing Agent, at the request of the Board of Directors, shall take prompt action to collect any assessment for Common Expenses due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof. Any assessment, or installment thereof, not paid when due shall

bear interest on the principal amount only from the due date thereof until paid at the maximum lawful rate but not to exceed twelve percent (12%) per annum.

Section 4. Statement of Common Expenses. The Board of Directors shall promptly provide any Unit Owner, contract purchaser or Mortgagee so requesting a written Statement of Common Expenses along with a written statement of all unpaid assessments for Common Expenses due from such Unit Owner.

Section 5. Maintenance, Repair, Replacement and Other Common Expenses.

(a) By the Board of Directors. The Board of Directors shall be responsible for the maintenance, repair and replacement (unless, if in the opinion of not less than 60% of the Board of Directors, such expense was necessitated by the negligence, misuse or neglect of a Unit Owner) of all of the 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, provided, however, that each Unit Owner shall perform normal maintenance on any portion of the remaining Common Elements which the Board of Directors pursuant to the Rules and Regulations has given him permission to utilize, including without limitation the items enumerated in subsection (b) hereof, and, provided, further, that all such costs allocable to the parking garage and Parking Units outside the garage shall be shared proportionally only among those Unit Owners owning Parking Units in the garage or outside the garage, as the case may be.

(b) By the Unit Owner.

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

(2) The Unit Owner of any Parking Unit shall perform the normal maintenance for such Parking Unit, including keeping it in a 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 his negligence, misuse or neglect. All structural repair or replacement shall be made by the Board of Directors as a Common Expense, as provided in subsection (a) above.

(3) Any Unit Owner permitted by the Board of Directors 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.

(c) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original con-

struction and installation and shall be of first-class quality. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board of Directors.

Section 6. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the Common Elements shall require additions, alterations or improvements costing in excess of Five Thousand Dollars (\$5,000) during any period of twelve consecutive months, and the making of such additions, alterations or improvements shall have been approved by a Majority of the Unit Owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing Five Thousand Dollars (\$5,000) or less during any period of twelve consecutive months may be made by the Board of Directors without approval of the Unit Owners and the cost thereof shall constitute a Common Expense. Notwithstanding the foregoing, if, in the opinion of not less than eighty percent (80%) of the members of the Board of Directors, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of the Unit Owners requesting the same, such requesting Unit Owners shall be assessed therefor in such proportion as the Unit Owners shall jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors.

Section 7. Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to his Apartment Unit or Parking Unit without the prior written consent of the Board of Directors. No Unit Owner shall paint or alter the exterior of his Parking Unit or Apartment Unit, including the doors and windows of the latter, nor shall any Unit Owner paint or alter the exterior of the Building, without the prior written consent of the Board of Directors. The Board of Directors shall be obligated to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement (by painting or otherwise) to or in such Unit Owner's Unit within forty-five (45) days after such request and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed structural addition, alteration or improvement. 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 Unit Owners' Association, and provided consent has been given by the Board of Directors, then the application shall be executed on behalf of the Unit Owners' Association by the Board of Directors only, without however incurring any liability on the part of the Board of Directors or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having claim for injury to person or damage to property arising therefrom. Subject to the approval of any Mortgagee of such affected Units, the Board of Directors 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-Treasurer shall record any necessary amendment to the Declaration to effect such action as provided in Sections 225 or 226 of the Condominium Act. The provisions of this Section 7 shall not apply to Units owned by the Declarant until deeds of conveyance of such Units shall have been recorded. The Declarant shall have the right to make such alterations or subdivisions without the consent of the Board of Directors and the Board of Directors shall execute any such application required.

Section 8. Restrictions on Use of Units and Common Elements
Rules and Regulations.

(a) Each Unit and the Common Elements shall be occupied and used as follows:

(1) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property or any part thereof applicable for residential use without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste shall be committed in the Common Elements.

(2) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. Those laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion or use of the Property to be complied with shall be complied with by and at the sole expense of the Unit Owner or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the Property, and, if the latter, then the cost of such compliance shall be a Common Expense.

(3) Nothing shall be altered or constructed in or removed from the Common Elements except upon the prior written consent of the Board of Directors.

(4) 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.

(5) No Apartment Unit shall be rented for transient or hotel purposes or in any event for any period less than six (6) months. No portion of any Apartment Unit or Parking Unit (other than the entire Parking Unit) shall be leased for any period. No Unit Owner shall lease an Apartment Unit or Parking Unit other than on a standard form of lease approved by the Board of Directors and each Unit Owner shall, promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Directors. The foregoing provisions of this subparagraph shall not apply to the Declarant, or to a Mortgagee in possession of a Unit as a result of a foreclosure or other judicial sale or as a result of any proceeding in lieu of foreclosure, during the period of such Mortgagee's possession.

(6) No trailers, campers or boats may be parked on the Property. 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.

(7) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements; except that the keeping of a reasonable number of small, orderly domestic pets (such as dogs, cats, caged birds or fish in small table-top tanks) (hereinafter referred to as "permitted pets") is permitted without the prior approval of the Board of Directors, but subject to any Regulations adopted by the Board of Directors; provided, however, that such permitted pets are not kept or maintained for commercial purposes or for breeding and provided, further, that any such permitted pet causing or creating

further, that any such permitted pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon three days written notice from the Board of Directors. Any Unit Owner who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Condominium, each Unit Owner, and the Declarant free and harmless from any loss, claim or liability of any character whatever arising by reason of keeping or maintaining such pet within the Condominium.

(8) The Board of Directors shall have the right from time to time to prescribe limits on the size, weight or type of vehicles using the parking garage or any of the Parking Units.

(9) Nothing shall be affixed to the exterior of the Building, including but not limited to, window air conditioners, television or radio antennas, or other electrical connections, except in such manner as may be approved or prescribed in writing by the Board of Directors.

(10) Each Apartment Unit Owner shall (1) have carpeting installed over at least eighty percent (80%) of the floor area, excluding the kitchen, of the Unit within thirty (30) days of occupying the Unit; and (2) shall maintain in good condition one-inch venetian blinds installed by the Declarant.

(11) All residential unit occupants shall be required to maintain the 1" wide white venetian blinds conveyed with the Unit by the Declarant. A similar sized and color blind shall be reinstalled by Unit occupants.

(12) No Unit Owner shall place or cause or permit to be placed on or in the public halls, stairways or other Common Elements (other than in the areas designated as storage areas) any bicycles, furniture, packages or objects of any kind. The halls and stairways shall be used for no purpose other than for normal transit.

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

Section 9. Right of Access. By acceptance of his deed of conveyance, each Unit Owner thereby grants a right of access to his Unit, as provided by Section 307(a) of the Condominium Act, to the Board of Directors or the Managing Agent, or any other person authorized by the Board of Directors or the Managing Agent, or any group of the foregoing, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including without limitation making inspections, correcting any condition originating in his Unit and threatening another Unit or the Common Elements, performing installations, alterations or repairs to the mechanical or electrical services or the Common Elements in his Unit or elsewhere in the Property or to correct any condition which violates any Mortgage; provided, however, that requests for entry, except in emergencies, are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section 10. Utility Charges. Each Unit Owner shall pay for utilities consumed or used in his Unit which are billed directly to such Unit through separate meters. The cost of utilities serving the Common Elements and of utilities serving Units through

meter systems other than separate meters for each Unit shall be Common Expenses. The costs of operation, maintenance, repair and replacement of any elevators shall be Common Expenses.

Section 11. Parking Units. The cost of maintenance and repair of the parking garage shall be allocated proportionally among Units Owners owning Parking Units in the garage, and the cost of maintenance and repair of the parking facilities outside the garage shall be allocated proportionally among Unit Owners owning such Parking Units outside the garage. The cost of maintenance and repair of the vehicle ramp leading to the garage, including the walls enclosing it other than the wall of the Building, shall be allocated proportionally among Unit Owners owning Parking Units in the garage.

ARTICLE VI

Insurance

Section 1. Authority to Purchase. Except as otherwise provided in Section 3 of this Article VI, all insurance policies relating to the Property shall be purchased by the Board of Directors for the use and benefit of the Unit Owners' Association, the Unit Owners, and their respective Mortgagees, as their interests may appear, which insurance shall be governed by the following provisions:

(a) The Board of Directors shall obtain a single master policy covering physical damage for the entire Property under which the insurance company will issue to each Unit Owner a certificate or sub-policy specifying the portion of the master policy allocated to each Unit Owner's Condominium Unit. Each Unit Owner shall have the right to obtain at his own expense insurance covering the personal property and improvements made to his Unit and "additional living expense coverage" insuring him for the cost of emergency shelter in the event of damage rendering his Unit uninhabitable.

(b) In addition, such master policy and any policy purchased pursuant to Section 2(c) of this Article VI, shall provide the following:

(1) That the insurer waives any right to claim by way of subrogation against the Unit Owners' Association, the Board of Directors, the Managing Agent or the Unit Owners, and their respective agents, employees, guests and, in the case of the Unit Owners, the members of their households;

(2) That such master policy shall not be cancelled, invalidated or suspended due to the conduct of any Unit Owner or of any member, officer or employee of the Board of Directors or the Managing Agent without a prior demand in writing that the Board of Directors or the Managing Agent cure the defect and neither shall have so cured such defect;

(3) That any "other insurance" clause contained in such master policy expressly exclude individual Unit Owners' policies from its operation;

(4) That until the expiration of thirty (30) days after the insurer gives notice in writing to any Mortgagee, such Mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the Unit Owner of such Unit, the other

Unit Owners, the Board of Directors, or any of their agents, employees, or household members, nor cancelled for nonpayment of premiums;

(5) That such master policy may not be cancelled or modified without at least thirty (30) days prior written notice to the Board of Directors and all Mortgagees,

(6) A waiver of any right of the insurer to repair, rebuild and replace, if a decision is made pursuant to Article VII of these Bylaws not to repair, reinstate, rebuild or restore the damage or destruction and, in such event, the insurer shall pay on the basis of replacement cost;

(7) A standard mortgagee clause in favor of each Mortgagee to the extent of the portion of the coverage of the master policy allocated to a mortgaged Unit, which clause shall provide that the loss, if any, thereunder shall be payable to such Mortgagee and the Unit Owner as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee contained in Sections 4 and 5 of this Article VI;

(8) A standard mortgagee clause acceptable to the Mortgagee, which clause shall provide that the insurance carrier shall notify the Mortgagee (or trustee) at least ten (10) days in advance of the effective date of any reduction in or cancellation of the policy;

(9) The Declarant shall be protected by all of the foregoing provisions as if the Declarant were a Unit Owner,

(c) All policies of insurance shall be written by companies acceptable to the Mortgagees, licensed to do business in the District of Columbia, and holding a rating of Class VI (or the equivalent) or better by Best's Insurance Reports,

(d) No insurance shall be obtained or maintained where (1) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Unit Owner or Mortgagee or his designee or successors in interest; (2) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members; or (3) the policy includes any limiting clauses (other than insurance conditions) which could prevent the Unit Owner or Mortgagee or his designee or successors in interest from collecting insurance proceeds.

(e) In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees, unless otherwise required by law.

(f) Each Unit Owner shall be required to notify the Board of Directors of all improvements made by the Unit Owner to his Unit, the value of which is in excess of One Thousand Dollars (\$1,000).

(g) Any Unit Owner who obtains individual insurance policies covering any portion of the Property, other than personal property belonging to such Unit Owner, shall be required to file a copy of such individual policy or policies with the Board of Directors within thirty (30) days after the purchase of such insurance. Such Unit Owner shall also promptly notify, in writing, the Board of Directors in the event such policy is cancelled.

(h) In accordance with Section 301(e) of the Condominium Act, in the event any insurance policy on the Common Elements provides for a "deductible," any amount required to be paid on account of such "deductible" shall be treated as a Common Expense

and paid in accordance with Section 312 of the Condominium Act and Article V of these Bylaws.

Section 2. Insurance Coverage.

(a) The Board of Directors shall obtain and maintain the following insurance:

(1) A blanket policy on a 100% replacement cost basis covering "all risk" perils, including fire insurance with extended coverage, and including the Replacement Cost and the Agreed Amount Endorsements. Such insurance shall include explosion coverage on steam boilers (including breakdown of air conditioning equipment, building service machinery, and electrical equipment) at a minimum of \$50,000 per accident per location, and shall include coverage for cost of demolition and increased cost of construction resulting from the operation of building laws or codes. Such insurance shall include all of the Units and the bathrooms and kitchen fixtures initially conveyed with the Units by the Declarant, but shall not include furniture, furnishings, or other personal property or improvements supplied or installed by Unit Owners. Such insurance shall cover the interest of the Unit Owners' Association, the Board of Directors, and all Unit Owners and their Mortgagees, as their interests may appear. Replacement cost shall be determined annually by the Board of Directors with the assistance of the insurance company affording such coverage;

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

(3) such other insurance as the Board of Directors may determine or as may be requested from time to time by a Majority of the Unit Owners.

(b) A duplicate original of the master policy of physical damage insurance, all renewals thereof, and all subpolicies or certificates and endorsements issued thereunder, together with proof of payment of premiums, shall be delivered by the insurer to any Mortgagee so requesting it at least thirty (30) days prior to expiration of the then current policies. Prior to obtaining any policy of physical damage insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from an insurance company, or such other source as the Board of Directors may determine, of the current replacement cost of the Property (exclusive of the Land), without deduction for depreciation, for the purpose of determining the amount of physical damage insurance to be secured pursuant to this Section. All Mortgagees shall be notified promptly of any event giving rise to a claim under such policy.

(c) The Board of Directors shall obtain and maintain public liability insurance for bodily injury and property damage (including, with regard to the Board of Directors, libel, slander, false arrest, wrongful eviction and invasion of privacy). The Board of Directors shall also obtain Directors and Officers liability insurance, if available at reasonable cost. All such insurance shall be carried in such limits as the Board of Directors may from time to time determine, insuring, as appropriate, each member of the Board of Directors, the Managing Agent, each Unit Owner, and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of, or incident to the ownership and/or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: a cross-liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; hired and non-owned vehicle coverage; host liquor liability coverage with respect to events sponsored by the Unit Owners' Association; deletion of the normal products exclusion with respect to events sponsored by the Unit Owners' Association; and a "severability of interest" endorsement which shall preclude the insurer from denying

liability to a Unit Owner because of negligent acts of the Unit Owners' Association or of another Unit Owner. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than One Million Dollars (\$1,000,000) 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.

(d) The Board of Directors shall maintain or assure the existence of adequate fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of the Unit Owners' Association and all others who handle, or are responsible for handling, funds of the Unit Owners' Association, including the Managing Agent. Such fidelity bonds shall: (i) name the Unit Owners' Association as an obligee; (ii) be written in an amount not less than Fifty Thousand Dollars (\$50,000) or not less than one and one-half times the estimated annual operating expenses of the Condominium, including reserves and escrows, whichever amount is greater; (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and (iv) provide that the same may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice to the Unit Owners' Association and all Mortgagees.

(e) If required by any governmental or quasi-governmental agency including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, the Board of Directors shall provide flood insurance in accordance with the then applicable regulations of such agency.

Section 3. Separate Insurance. Each Unit Owner shall have the right, at his own expense, to obtain additional insurance for his own Unit and for his own benefit and to obtain insurance coverage upon his personal property and for his personal liability; provided, however, that no Unit Owner shall be entitled to exercise his right to acquire or maintain such additional insurance coverage so as to decrease the amount which the Board of Directors, on behalf of all Unit Owners, may realize under any insurance policy on the Property or to cause any insurance coverage maintained by the Board of Directors to be brought into contribution with such additional insurance coverage obtained by a Unit Owner.

Section 4. Insurance Trustee.

(a) All insurance policies purchased by the Board of Directors shall be for the use and benefit of the Unit Owners' Association, the Unit Owners, their Mortgagees, and the Declarant, as their interests may appear, and shall provide that all proceeds covering property losses shall be paid in trust to such banking institution in the metropolitan Washington, D. C., area with trust powers as may be designated by the Board of Directors, which trustee is herein referred to as the Insurance Trustee.

(b) The Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness of any amounts received on account of the proceeds of any insurance policies, nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to 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.

Section 5. Board of Directors as Agent. The Board of Directors is hereby irrevocably appointed the agent for all named insureds to adjust and settle all claims arising under insurance policies purchased by the Board of Directors and to execute and deliver releases upon the payment of claims.

ARTICLE VII

Repair and Reconstruction After Fire or Other Casualty

Section 1. When Repair and Reconstruction are Required. Except as otherwise provided in Section 4 of this Article, in the event of damage to or destruction of all or any of the Buildings as a result of fire or other casualty, the Board of Directors, under the direction of the Insurance Trustee, shall arrange for and supervise the prompt repair and restoration of the Buildings (including any damaged Units, and the floor coverings, kitchen or bathroom fixtures and appliances initially installed therein by the Declarant, and replacements thereof installed by the Unit Owners, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Unit Owners in the Units). Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the redecorating of his own Unit.

Section 2. Procedure for Reconstruction and Repair.

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to any Building, the Board of Directors under the direction of the Insurance Trustee shall obtain reliable and detailed estimates of the cost of repairing and restoring such Building (including any damaged Units and any floor coverings and kitchen and bathroom fixtures and appliances initially installed by Declarant, and the replacements thereof, 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 thereof are insufficient, the amount necessary to complete such reconstruction and repair shall be deemed a Common Expense and a special assessment therefor shall be levied.

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

Section 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 collections of assessments against Unit Owners on account of such casualty, 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 Twenty-five Thousand Dollars (\$25,000), then the construction fund shall be disbursed in payment of such costs upon order of the Board of Directors.

(2) If the estimated cost of reconstruction and repair is Twenty-five Thousand Dollars (\$25,000) or more, then the costs upon approval of an architect qualified to practice in the District of Columbia 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, materialmen, the architect, and other persons who have rendered services or furnished materials in connection with the work and stating that: (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.

(3) Disbursements under (1) and (2) above shall only be made upon receipt of appropriate releases of lien or lien waivers from all contractors or subcontractors employed in connection with said repair or reconstruction.

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

(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, the Units which were damaged, and thereafter to the cost of repairing the other Common Elements.

(d) Certificate. The Insurance Trustee shall be entitled to rely upon a certificate executed by the President or Vice President, and the Secretary-Treasurer, certifying: (i) whether the damaged Property is required to be reconstructed and repaired; (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund or whether surplus funds to be distributed are less than the assessments paid by the Unit Owners; and (iii) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the Insurance Trustee promptly after request.

Section 4. When Reconstruction is Not Required. In the event of insubstantial damage to the Common Elements and if the Board of Directors shall elect not to repair the same, then in such event any insurance proceeds received on account of such damage shall be distributed among all Unit Owners in proportion to their respective Ownership Interests. If the Condominium shall be terminated pursuant to Section 228 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 Board of Directors or the Insurance Trustee, as the case may be, among all Unit Owners in proportion to their respective Ownership Interests, after first paying out of the share of each Unit Owner, to the extent sufficient therefor, the amount of any unpaid liens on his Unit in the order of priority of such liens; said proceeds shall be made payable jointly to the Unit Owners and First Mortgagees, if any, entitled thereto.

Section 5. Priority of Mortgagee to Insurance Proceeds, Condemnation Awards. Nothing in these Bylaws or the Declaration shall be construed to give a Unit Owner, or any other party, priority over the rights of any Mortgagee in the case of a distribution to a Unit Owner of insurance proceeds or condemnation awards for losses of his Unit and/or Common Elements.

ARTICLE VIII

Mortgages

Section 1. Notice to Board of Directors. A Unit Owner who mortgages his Unit shall notify the Board of Directors of the name and address of his Mortgagee and shall file a conformed copy of the note and Mortgage with the Board of Directors.

Section 2. Notice of Default, Casualty or Condemnation. The Board of Directors, when giving notice to any Unit Owner of a default in paying an assessment for Common Expenses or any other default, shall simultaneously send a copy of such notice to the Mortgagee of such Unit; provided, however, that the Mortgagee is notified of the default within sixty (60) days. Each Mortgagee shall also be promptly notified of any casualty giving rise to a possible claim under any insurance purchased under Article VI, of all actions taken under Article VII, and of any taking in condemnation or by eminent domain and actions of the Unit Owners' Association with respect thereto.

Section 3. Notice of Amendment of Declaration or Bylaws. The Board of Directors shall give notice to all Mortgagees seven (7) days prior to the date on which the Unit Owners, in accordance with the provisions of these Bylaws, amend the Condominium Instruments.

Section 4. Notice of Change in Managing Agent. The Board of Directors shall give notice to all Mortgagees thirty (30) days prior to any change in Managing Agent, and no such change shall be adopted without the written consent of all Mortgagees.

Section 5. Mortgagees' Approvals.

(a) Unless all Mortgagees shall have given their prior written approval, neither the Unit Owners' Association nor any Unit Owner shall, by act or omission, withdraw the submission of the Property to the Condominium Act or seek to abandon or terminate the Condominium Project.

(b) Unless at least two-thirds (2/3) of the First Mortgagee (based upon one vote for each First Mortgage owned), or of the Unit Owners, have given their prior written approval, the Unit Owners' Association shall not be entitled to:

(i) Change the Ownership Interest or obligations of any Unit.

(ii) Subdivide or relocate the boundaries or interior partitions of any Unit encumbered by a Mortgage.

(iii) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (other than the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements).

(iv) Use hazard insurance proceeds for losses to any condominium property (whether to units or to common elements) for other than the repair, replacement or reconstruction of such condominium property, except as may be provided by the Act in case of substantial loss to the units and/or common elements of the condominium project.

(v) To the extent this subparagraph is consistent with the Condominium Act, amend the Bylaws or the Declaration in a manner which will diminish the security of any Mortgagee.

Section 6. Other Rights of Mortgagees. All Mortgagees or their representatives shall be entitled to attend meetings of the Unit Owners' Association and shall have the right to speak at such meetings. All such Mortgagees shall have the right to examine the books and records of the Condominium, to receive the annual report filed by Declarant pursuant to Section 407 of the Condominium Act, and to require the submission of annual financial reports and other budgetary information.

ARTICLE IX

Compliance and Default

Section 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 addition to the remedies provided in Section 313 of the Condominium Act, a default by a Unit Owner shall entitle the Unit Owners' Association, acting through its Board of Directors 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 his act, neglect or carelessness or the act, neglect or carelessness of any member of his family or his employees, agents, licensees or invitees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by 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 a court.

(c) **No Waiver of Rights.** The failure of the Unit Owners' Association, the Board of Directors, or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Instruments or the Condominium Act shall not constitute a waiver of the right of the Unit Owners' Association, the Board of Directors or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Unit Owners' Association, the Board of Directors or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Instruments or the Condominium Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the 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 Common Expenses or other sum assessed against him which continues for a period in excess of fifteen (15) days, the principal amount unpaid shall bear interest at the maximum lawful rate not to exceed ten percent (10%) per annum from the due date until paid.

(e) Abating and Enjoining Violations by Unit Owners. The violation of any of the Regulations adopted by the Board of Directors, the breach of any Bylaw contained herein, or the breach of any provision of the Declaration or the Condominium Act shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 2. Lien for Assessments.

(a) The total annual assessment of each Unit Owner for Common Expenses or any special assessment 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 313 of the Condominium Act. Each such lien shall be effective from the time each such assessment becomes due and payable.

(b) In any case where an assessment against a Unit Owner is payable in installments, the full amount of such assessment shall be a lien from the time the first installment thereof becomes due and payable. Upon a default by such Unit Owner in the timely payment of any two consecutive installments, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board of Directors, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner and his Mortgagee by the Board of Directors or the Managing Agent.

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

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

ARTICLE X

Amendments to Bylaws

Section 1. Amendments. These Bylaws may not be modified or amended except as provided in Sections 227 and 228 of the Condominium Act; provided, however, that until the expiration of the maximum time permitted by Section 302 of the Condominium Act, (i) Sections 3, 4 and 5 of Article II, (ii) Section 12 of Article II, (iii) Section 1 of Article III, and (iv) Section 1 of this Article X may not be amended without the consent in writing of the Declar-

ant, so long as the Declarant shall be the Unit Owner of Units representing twenty-five percent (25%) or more of the aggregate Ownership Interest of the Condominium. Where any such amendment is required by Sections 225(c) or 226(c) of the Condominium Act, the Secretary-Treasurer shall effectuate the same.

Section 2. Approval of Mortgagees. These Bylaws contain provisions concerning various rights, priorities, remedies and interests of Mortgagees. Such provisions in these Bylaws are to be construed as covenants for the protection of such Mortgagees on which they may rely in making loans secured by Mortgages. Accordingly, no amendment or modification of these Bylaws impairing or affecting such rights, priorities, remedies or interests of a Mortgagee shall be adopted without the prior written consent of such Mortgagees.

ARTICLE XI

Sales, Leases, and Alienation of Units

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

Section 2. Payment of Assessments. With the exception of Permitted Mortgagees, no Owner shall be permitted to convey, mortgage, hypothecate, sell, lease, give, or devise his Unit unless and until he (or his personal representative) shall have paid in full to the Board of Directors all unpaid Common Expenses theretofore assessed by the Board of Directors against his Unit.

ARTICLE XII

Miscellaneous

Section 1. Notices. 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 delivered personally (pursuant to Section 303 of the Condominium Act) or if sent by registered or certified mail, return receipt requested, postage prepaid (or otherwise as the Condominium Act may permit), (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the Secretary-Treasurer or, if no such address is designated, at the address of the Unit of such Unit Owner, or (ii) if to the Unit Owners' Association, the Board of Directors, or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by

notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one Person, each such Person who so designates an address in writing to the Secretary-Treasurer shall be entitled to receive all notices hereunder.

Section 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 thereof.

Section 3. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, the Declarant has caused these Bylaws to be executed and attested by its duly authorized officers, and its corporate seal to be hereunto affixed, this ____ day of _____, 1978.

Attest:

THE DUPONT, INC.

By: _____

(Corporate Seal)

**FIRST AMENDMENT TO THE DECLARATION
OF DUPONT EAST CONDOMINIUM**

Dupont East Condominium Association,
As Adopted by Two-Thirds or More Vote of Unit Owners,
Annual Meeting, June 1, 1983

The following are validly adopted Amendments to the Dupont East Condominium Bylaws, which were filed and recorded as Exhibit B to the Declaration of Dupont East Condominium, which was recorded February 8, 1979 as Instrument No. 5062 with the Office of Recorder of Deeds of the District of Columbia:

Amendment 1
Article II, page 2

Delete Section 5 of the Bylaws (which constitute Exhibit B to the Declaration, and are hereinafter referred to as the "Bylaws") and replace with:

Section 5. Annual Meetings. Annual Meetings shall be held on the second Wednesday occurring in May of each year. At such Annual Meetings, the Board of Directors shall be elected by ballot of the Unit Owners in accordance with Section 4 of Article III of these Bylaws.

Amendment 2
Article II, page 3

Delete Section 11 of the Bylaws and replace with:

Section 11. Order of Business. The order of business at all Annual Meetings of the Unit Owners' Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Directors.
- (f) Report of committees.
- (g) Election of members of the Board of Directors (when so required).
- (h) Unfinished business.
- (i) New business.

Amendment 3

Article II, pages 3 - 4

Delete Section 13 of the Bylaws and replace with:

Section 13. Voting.

(b) Where ownership of a Unit is by more than one person, if only one such person is present at a meeting of the Association, that person shall be entitled to cast the vote of that unit. If more than one of such persons is present, the vote of that unit shall be cast only in accordance with their unanimous consent, and such consent shall be conclusively presumed if any one of them purports to cast the vote of such Unit without protest being made forthwith by any of the others to the person presiding over the meeting.

Amendment 4

Article V

Section 3, pages 15-16

Delete Section 3 of the Bylaws and replace with:

Section 3. Collection of Assessments. The Board of Directors or the Managing Agent, at the request of the Board of Directors, shall take prompt action to collect any assessment for common expenses due from any unit owner which remains unpaid for more than fifteen (15) days from the due date for payment thereof. Any assessment or installment thereof not paid within thirty (30) days of the due date for payment thereof shall bear interest on the principal amount only from the due date for payment thereof until paid at the rate of fifteen percent (15%) per annum.

Article IX

Section 1(d), page 27

Delete Section 1(d) of the Bylaws and replace with:

Section 1.

(d) Interest. In the event of a default by any Unit Owner in paying any Common Expenses or other sum assessed against him which continues for a period in excess of thirty (30) days, the principal amount unpaid shall bear interest at the maximum lawful rate not to exceed fifteen percent (15%) per annum from the due date until paid.

Amendment 5
Article XII
Section 1, page 29

Delete the first paragraph of Section 1 of the Bylaws up to the phrase "shall be designated by" and replace with:

Section 1. Notices. All notices, demand, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally (pursuant to Section 303 of the Condominium Act) or if sent by United States mail, (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the Secretary-Treasurer or, if no such address is designated, at the address of the Unit of such Owner, or (ii) if to the Unit Owners' Association, the Board of Directors, or to the Managing Agent, at the principal office of the Managing Agent or such other address as

* * * * *

IN TESTIMONY WHEREOF, the said Dupont East Condominium Association on this 10th day of January, 1984, caused these presents to be signed by Hylan Lyon its president and attested by its secretary, and its corporate seal to be affixed and doth hereby appoint Mark S. Tenenbaum its true and lawful attorney in fact to acknowledge and deliver these presents as its act and deed.

(Corporate Seal)

DUPONT EAST CONDOMINIUM ASSOCIATION

Attest:

Hylan Lyon, President

Marcelle LaJolla
Secretary

DISTRICT OF COLUMBIA: SS

I, _____, a Notary Public in and for the District of Columbia do hereby certify that Mark S. Tenenbaum, who is personally well known to me as the person named as the attorney in fact in the foregoing and annexed First Amendment to the Declaration of Dupont East Condominium, bearing date on the _____ day of _____, 1984, and as attorney in fact as foresaid, and by virtue of the power vested in him by said First Amendment to the Declaration of Dupont East Condominium, acknowledged the same to be the act and deed of the Dupont East Condominium Association.

Given under my hand and seal this _____ day of _____ A.D., 1984.

(Notarial Seal)

Notary Public

Declaration-CC&Rs
Dupont East Condominium

Declaration

DECLARATION

ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP
FOR PREMISES LOCATED AT 1545-18TH STREET, N.W.
WASHINGTON, D.C.

PURSUANT TO DISTRICT OF COLUMBIA CONDOMINIUM ACT OF 1976

Section 1. Submission of Property. The Dupont, Inc. a Delaware corporation ("Declarant"), owner of the land located at 1545-18th Street, N.W., District of Columbia, and more particularly described in Exhibit A annexed hereto ("Land"), hereby submits the Land, together with the buildings and improvements erected thereon and all easements, rights and appurtenances thereunto belonging and all other property, personal or mixed, intended for use in connection therewith owned by the Declarant in fee simple ("Property"), to the provisions of the District of Columbia Condominium Act of 1976 (the "Condominium Act") and hereby creates with respect to the Property a plan of condominium ownership to be known as the Dupont East Condominium ("Condominium").

Section 2. Definitions. As provided in Section 206 of the Condominium Act as in effect on the date of recordation of this Declaration, capitalized terms not otherwise defined herein or in the other Condominium Instruments shall have the meanings specified in Section 102 of the Condominium Act. The following terms as used herein and in the other Condominium Instruments shall have the following meanings:

a. Board of Directors: the Executive Organ as defined in Section 102(m) of the Condominium Act.

b. Building: the building and other improvements erected on the Land.

c. Bylaws: the rules for the governance of the Condominium attached hereto as Exhibit B, as the same may be amended from time to time.

d. Common Elements: the Common Elements consist of the entire Property, other than the Units, and include, without limitation unless otherwise provided herein, the following:

i. the Land;

ii. all foundations, columns, girders, beams and supports of the Building;

iii. all exterior walls of the Building, all walls, floors and ceilings enclosing a Unit (except those portions of such walls, floors and ceilings included as part of the Unit pursuant to the provisions of Section 4 of this Declaration), and all walls and partitions separating Units from hallways, lobbies, corridors, and stairways (except those portions of such walls included as part of a Unit pursuant to the provisions of Section 4 of this Declaration);

Recorded 2-8-79

iv. the roof, halls, lobbies, corridors, stairs, stairways, elevator shafts, elevators; laundry, meter, incinerator, boiler, mechanical, telephone, maintenance, trash disposal, air conditioning equipment and storage rooms; entrances and exits of the Building;

v. those pumps, pipes, wires, cables, conduits, and other apparatus relating to the water distribution, power, light, telephone, sewer, heating and air-conditioning and plumbing systems serving more than one Unit and/or any portion of the Common Elements, regardless of the actual location thereof;

vi. all apparatus and installations existing in the Building or on the Property for common use or necessary or convenient to the existence, the common maintenance, or the safety of the Property;

vii. all surface driveway and walkway areas and exterior landscaping, subject to the provisions of Section 3b. of this Declaration.

e. Condominium Act: The District of Columbia Condominium Act of 1976 as the same may be amended from time to time.

f. Condominium Plat: the plats and plans described in Section 214 of the Condominium Act and recorded in the office of the Surveyor of the District of Columbia on 1978, in Condominium Book ___ page ___. The term "General Common" on the Condominium Plat indicates Common Elements that are not Limited Common Elements.

g. Land: the real property, exclusive of the Building thereon, at the time submitted to the Condominium Act, being the real property described in Exhibit A.

h. Majority of the Unit Owners: except as otherwise specifically provided in the Condominium Instruments, the owners of more than fifty percent (50%) of the aggregate Ownership Interests in the Condominium voting in person or by proxy at one time at a duly convened meeting at which a quorum is present. Any specified percentage of the owners means the Unit Owners owning such Ownership Interests in the aggregate.

i. Managing Agent: a professional managing agent employed by the Unit Owners' Association to perform such duties as the Board of Directors shall authorize in accordance with the Condominium Instruments.

j. Mortgage: any recorded first deed of trust or first mortgage encumbering a Condominium Unit.

k. Mortgagee: any mortgagee under a first Mortgage or trustee or beneficiary under a first deed of trust.

l. Ownership Interest: the undivided ownership interest in each Unit Owner in the Common Elements, Common Expenses, and Common Profits as set forth in Exhibit C annexed hereto.

m. Property: the Land, Building, all other improvements and structures thereon (including the Units and the Common Elements), all easements, rights and appurtenances thereunto belonging and all other property, personal or mixed, intended for use in connection therewith, owned by the Declarant in fee simple and submitted to the Condominium Act. References in the Condominium Instruments to "Property" shall at all times be deemed to refer to such portions of the Property as have been submitted to the Condominium Act at the time in question.

n. Rules and Regulations: those rules and regulations governing the conduct of occupants of Units adopted from time to time by the Board of Directors and deemed necessary for the enjoyment of the Property; provided, however, that the same do not conflict with the Condominium Act or the Condominium Instruments.

o. Unit Owner: one or more persons who own a Unit.

p. Unit Owners' Association: all of the Unit Owners, acting as a group in accordance with the Condominium Act, the Declaration and the Bylaws, shall constitute the Unit Owners' Association.

q. Units: the Condominium shall consist of two types of Units:

i. Apartment Units -- those units located in the Building other than those in the garage as shown on the Condominium Plat.

ii. Parking Units -- those units located in the parking garage of the Building and outside the garage, as shown on the Condominium Plat.

Reference in the Condominium Instruments to "Units" without specific reference to Apartment Units or Parking Units as such shall refer to both types of Units.

Section 3. Building, Parking Spaces, Storage Areas.

a. Building: the location, dimensions, and area of the Building is shown on the Condominium Plat. The Building has nine (9) stories, including a ground (first) floor and eight (8) above ground floors, and a below-ground level consisting of a parking garage and various boiler, mechanical, maintenance, laundry and storage rooms.

b. Parking Spaces: there are located below the ground floor of the Building thirty-eight (38) parking spaces, apportioned into a multi-space garage area; and there are located eleven (11) parking spaces outside the garage. The aforesaid parking spaces are designated by number on the Condominium Plat and are further designated as Parking Units pursuant to Section 4 of this Declaration. Such Parking Units shall be reserved for the exclusive use of the owners of such Parking Units. All paved areas necessary and appurtenant to such Parking Units and not assigned as a Parking Unit shall be part of the Common Elements.

c. Storage and Trash Disposal Areas. Storage and trash disposal areas within or adjacent to the Building shall be Common Elements except such areas that are within the boundaries of a Unit and shall be subject to such rules as the Board of Directors may establish for their use and maintenance; provided, however, that each Apartment Unit shall be entitled to the use of one below-ground level storage area as assigned by the Board of Directors.

Section 4. Units.

a. Units. Annexed hereto as Exhibit C is a list of all Units and their Identifying Numbers, all as shown more fully on the Condominium Plat, type and the Ownership Interest appurtenant to each Unit determined on the basis of par value. The locations of the Common Elements to which each Unit has direct access are shown on the Condominium Plat.

b. Dimensions of Units.

i. Apartment Units. Each Apartment Unit consists of the space bounded by the walls, floors and ceilings, if any, of such Unit as shown on the Condominium Plat, provided, however, that the wall, floor and ceiling materials, other than the finished surface thereof (such as paint, wallcoverings, ceramic, vinyl tile, decorative plaster, and wood floors), shall be Common Elements. Doors and windows in Apartment Units leading onto or into Common Elements shall be Common Elements.

ii. Parking Units.

(a) The Parking Units located in the multi-space parking garage as shown on the Condominium Plat shall consist of the space within the following boundaries:

(1) The upper boundary of such Parking Unit shall be the horizontal plane of the outermost unfinished surface of the ceiling of the garage, extended to an intersection with the vertical boundaries.

(2) The lower boundary of such Parking Unit shall be the horizontal plane of the top surface of the floor slab extended to an intersection with the vertical boundaries.

(3) The vertical boundaries of such Parking Unit shall be a vertical plane perpendicular to the center line of the stripe or other floor marking delineating each such Parking Unit extended to intersections with each other and with the upper and lower boundaries. If a wall rather than a stripe or other floor marking delineates a vertical boundary of such Parking Unit such boundary shall be the vertical plane of the finished surface of such wall extended to intersections with each other and with the upper and lower boundaries.

(b) The Parking Units located outside the garage as shown on the Condominium Plat shall consist of the space within the following boundaries:

(1) The lower boundary shall be the horizontal plane of the top unfinished surface of the parking lot or other facility extended to an intersection with the vertical boundaries.

(2) The vertical boundaries shall be the vertical plane perpendicular to the center line of the stripe or other ground marking delineating each such Parking Unit extended to intersections with each other and with the lower boundary. If a wall rather than a stripe or other floor marking delineates a vertical boundary of such Parking Unit such boundary shall be the vertical plane of the finished surface of such wall extended to intersections with each other and with the upper and lower boundaries.

iii. To the extent that walls, floors, or ceilings are designated as the boundaries of any Units, all lath, wallboard, plastering and other materials constituting any part of the unfinished surfaces thereof shall be deemed a part of such Units, while all other portions of such walls, floors or ceilings shall be deemed a part of the Common Elements.

iv. If any chutes, flues, ducts, conduits, wires, bearing walls, bearing columns, or any other apparatus lies partially within and partially outside of the designated boundaries of any Unit, any portions thereof serving only that Unit shall be deemed as part of that Unit, while any portions thereof serving more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements.

c. Relocation of Unit Boundaries and Subdivision of Units. Relocation of boundaries between the Units and subdivision of Units will be permitted subject to compliance with the provisions therefor in Article V, Section 7 of the Bylaws and in Sections 225 and 226 of the Condominium Act.

Section 5. Easements. In addition to the easements created by Sections 216, 221 and 222 of the Condominium Act, the following easements are hereby granted:

a. Easement to Facilitate Sales. All Units shall be subject to the statutory easement in favor of Declarant provided in Section 222 of the Condominium Act. The Declarant and its duly authorized agents, representatives, and employees, shall have the right, exercisable in the Declarant's sole discretion, to use any Units owned by Declarant as models, management offices or sales offices until such time as Declarant conveys title thereto to Unit Owners. Each Unit so utilized shall be a Unit within the meaning of this Declaration and the Condominium Act, and not part of the Common Elements. Declarant reserves the right to relocate the same from time to time within the Property. Upon relocation or sale of a model, management office or sales office, the furnishings thereof may be removed. Declarant further reserves the right to enter into certain agreements with other Unit Owners to lease their Units to the Declarant for use by the Declarant as model units, management offices, and/or sales offices. Declarant further reserves the right to maintain on the Property such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of Declarant.

b. Easement for Ingress and Egress Through Common Elements and Access to Units.

i. Each Unit Owner is hereby granted an easement in common with each other Unit Owner for ingress and egress through, and use and enjoyment of,

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all Common Elements. Each Condominium Unit is hereby burdened with and subjected to an easement for ingress and egress through, and use and enjoyment of, all Common Elements by persons lawfully using or entitled to the same.

11. Declarant reserves in favor of Declarant and the Managing Agent and/or any other person authorized by the Board of Directors the right of access to any Unit as provided in Section 307(a) of the Condominium Act and Article V, Section 9 of the Bylaws. In case of emergency, such entry shall be immediate whether the Unit Owner is present at the time or not.

Section 6. Amendment of Declaration. No amendment of this Declaration may be made without the prior written approval of the Mortgagees where such approval is provided for in Article VIII, Section 5 of the Bylaws or where such approval is required elsewhere in the Condominium Instruments or by the Condominium Act.

Section 7. Right to Lease or Sell Units. Declarant shall retain title to each Unit not sold to any purchaser. Declarant retains the right to enter into leases with any third parties for the occupancy of any of the Units so retained by Declarant and not so sold to any purchaser. Declarant further reserves the right, to be exercised in its sole discretion, to offer Parking Units on a priority basis in the following order: (a) to purchasers of Apartment Units who as tenants have occupied the Building and, in the event of any unsold Units after such offers, to (b) other purchasers of Apartment Units.

Section 8. Conflicts and Construction. In the event of any conflict between the Condominium Instruments, this Declaration shall control; but particular provisions shall control more general provisions, except that a construction conformable with the Condominium Act shall in all cases control over any construction inconsistent therewith.

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IN WITNESS WHEREOF, the said The Dupont, Inc. has caused these presents to be signed with its corporate name by Peter N. G. Schwartz, its President, attested by Marvin Price, its Secretary, and its corporate seal to be hereto attached, and does hereby appoint Peter N. G. Schwartz its attorney-in-fact to acknowledge and deliver these presents as its act and deed, this _____ day of _____, A.D., 1978, for the purposes herein expressed.

ATTEST:

THE DUPONT, INC.
A Delaware Corporation

By: _____
Secretary

By: _____
President

(CORPORATE SEAL)

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CERTIFICATE

This is to certify that the foregoing and annexed Declaration was duly executed and delivered pursuant to, and in strict conformity with, the provisions of a Resolution of the Board of Directors and of the Stockholders of The Dupont, Inc. passed at a regularly called meeting of said Board of Directors and of the Stockholders, and that a quorum was present at said meeting.

Secretary

CITY OF WASHINGTON)
 ss:
DISTRICT OF COLUMBIA)

I HEREBY CERTIFY that on this _____ day of _____, 1978, before me, the subscriber, a Notary Public in and for the District of Columbia, personally appeared Peter N. G. Schwartz, who, being duly, sworn, did depose and say that he is the President of and attorney-in-fact for The Dupont, Inc., the corporation named in the foregoing Declaration, and that by virtue of authority conferred upon him, acknowledged such instrument to be the act and deed of The Dupont, Inc.

WITNESS my hand and notarial seal.

Notary Public

My Commission expires: _____

18. Presale Contingency. This Agreement may, in the sole option of Seller, be declared null and void if Seller shall not have entered into binding contracts for the sale of not less than one hundred thirty-seven (137) Apartment Units in the Condominium Project on or before December 31, 1979. Seller may exercise this option by giving notice on or before the aforesaid date to the Purchaser as provided in Paragraph 24 of this Agreement and tendering to Purchaser refund of his deposit in full. Seller shall thereafter, upon repayment of Purchaser's deposit plus any accrued interest, be relieved of all further liability hereunder.

19. Merger. This Agreement expresses the parties' entire agreement. No representations, warranties, conditions or statements, oral or written, not contained herein or incorporated by reference shall be considered a part of this Agreement. This Agreement may not be altered, enlarged, modified or changed except by an instrument in writing executed by all the parties. The acceptance of the delivery of the deed at the time of settlement shall constitute an acknowledgement of full compliance by the Seller with the terms of this Agreement. Except for Paragraphs 1, 2, 15, 16, 17, 19 and 20 which shall survive the deed, none of the other terms of this Agreement shall survive the delivery and acceptance of the deed and, except as specifically provided above, the other terms of this Agreement shall be merged into and extinguished by the delivery of the deed at the time of settlement.

20. The Purchaser agrees and acknowledges that he has received a copy of the Public Offering Statement referred to herein which copy is a current Public Offering Statement issued pursuant to the Condominium Act of the District of Columbia for The Dupont Condominium, Registration Number _____; a copy of the proposed Declaration with Exhibits _____ through _____ attached thereto; and a copy of the Bylaws of the Condominium Unit Owners Association as of the date of this Agreement.

21. This Agreement, together with any application submitted by Purchaser to Seller, and any express references to the Public Offering Statement, constitutes the entire agreement between the parties. No representations, warranties, undertakings, promises, claims, advertising or promotional activities, made or conducted by Seller or Seller's agents or representatives, whether oral, implied or otherwise, shall be binding upon Seller unless the same are expressly set forth in this Agreement or in a subsequent written agreement executed by Seller. All amendments, schedules or riders hereto, if any, shall be in writing and executed by both parties.

No representations or agreements with respect to modifications or changes in the Unit or extras required or requested by Purchaser will be recognized unless such representations or agreements are in writing and signed by the parties, and payment for such modifications, changes or extras is made at the time of the execution of such writing.

22. Purchaser represents that this Agreement is through the Seller's agent, Shannon & Luchs Company ("Agent") and that no other person would be entitled to be paid any commission. The Seller agrees to pay Agent a commission in the amount previously agreed upon by Seller and Agent. Said commission is hereby assigned to the Agent by the Seller out of the proceeds of the sale, and the party through whom settlement hereunder is made is hereby authorized and directed to deduct the aforesaid from the proceeds of the sale and to make payment thereof directly to the Agent. The Agent hereby agrees to the within commission schedule.

23. Whenever by the terms of this Agreement any notice is required to be given, notice shall be conclusively considered given when deposited in an envelope in the United States mail, postage prepaid, certified mail, return receipt requested to the Seller's Agent or to the Purchaser at the addresses given below. Such designation may be changed by either of the parties by written notice to all other parties.

24. Purchaser hereby declares and warrants that Purchaser's intention is to occupy the Apartment Unit which is being purchased herein as a primary year-round residence. Notwithstanding the provisions of paragraph 5 or any other provisions of this Agreement, in the event Purchaser has made this declaration and warranty in bad faith or in the event that at any time prior to settlement Purchaser knows or has reason to know that it is not his intention to occupy the Apartment Unit as a primary year-round residence, the Seller shall have the sole right at its option to cancel and terminate this Agreement and the deposit may be retained at the option of the Seller as liquidated damages.

25. Purchaser's Right to Cancel. YOU HAVE THE RIGHT TO CANCEL THIS AGREEMENT FOR ANY REASON BY GIVING WRITTEN NOTICE TO THE SELLER WITHIN FIFTEEN (15) DAYS OF THE DATE OF THIS AGREEMENT OR WITHIN 15 DAYS AFTER DELIVERY TO YOU OF THE CURRENT PUBLIC OFFERING STATEMENT, WHICHEVER IS LATER. WRITTEN NOTICE OF CANCELLATION SHALL BE GIVEN BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AS PROVIDED IN PARAGRAPH 23 OF THIS AGREEMENT.

Derecho del Comprador a Terminar el Contrato. UD TIENE EL DERECHO A DAR POR TERMINADO ESTE CONTRATO POR CUALQUIER RAZON, MEDIANTE NOTIFICACION POR ESCRITO HECHA AL VENDEDOR, DENTRO DE UN PLAZO DE QUINCE (15) DIAS, CONTADOS A PARTIR DE LA FECHA QUE OCURRA POSTERIORMENTE, SEA ESTA O LA FECHA DE ESTE CONTRATO, O LA FECHA ENQUE EL DOCUMENTO DE OFERTA AL PUBLICO LE ES ENTREGADO A UD. LA NOTIFICACION DE TERMINACION POR ESCRITO DEBERA SER HECHA POR CORREO CERTIFICADO CON PAPELETA DE ACUSO DE RECIBO ("CERTIFIED MAIL, RETURN RECEIPT REQUESTED"), TAL COMO LO ESTIPULA EN PARRAFO 23 DE ESTE CONTRATO.

We, the undersigned, hereby ratify, accept and agree to the above and acknowledge it to be our Agreement.

te

PURCHASER(S):

by

y
d

Address:

Telephone: Office:

Residence:

Soc. Sec. No.

SELLER:

THE DUPONT, INC.

By:

Sales Agent
SHANNON & LUCHS CO.
1820 MacArthur Boulevard
Washington, D.C. 20007

RECEIPT OF PUBLIC OFFERING STATEMENT

Dupont East Condominium

The undersigned Purchaser hereby acknowledges receipt on the date indicated a copy of the Public Offering Statement, which the Declarant, through its Agent, certifies is a true copy of the Public Offering Statement filed with and registered with the Administrator of the Neighborhood Improvement Administration of the Department of Housing and Community Development of the District of Columbia.

Date

PURCHASER

PURCHASER

DECLARANT
THE DUPONT, INC.

By: _____
Sales Agent
SHANNON & LUCHS CO.

THE DUPONT EAST CONDOMINIUM

SCHEDULE A
TO THE PURCHASE AGREEMENT

COMPLETE RENOVATION PACKAGE

New kitchens include:

Magic Chef double gas ovens with continuous clean feature and double glass door and range hood. Model 218A-SBLW

TIERS 01,15,16 will have single gas ovens. TIER 01 - Sunray Model SSE24 HA-O TIERS 15 and 16 - Magic Chef Model 318A - 11LW

G.E. 16 cu. ft. frost free refrigerator. Model TBF 16 SA

G.E. two cycle dishwasher with energy saving feature. GSD300

EMERSON one-half h.p. disposal. Model # E40

Triange Pacific cabinets in light wood finish with oak doors.

Plastic laminated counter top color coordinated with appliance color.

New fluorescent light fixtures.

Wood louver door partition with sliding panel separating kitchen from dining area.

TIERS 04,05,15,16 Partition will not have sliding doors.

Armstrong Solarian "No Wax" flooring.

Stainless Steel Sink, Faucet and Fixtures.

Upgrade baths include:

Vanity with marblized sink top and new hardware.

New medicine cabinet.

New light fixture.

Choice of vinyl wall coverings.

New shower heads.

Entire apartment will be repainted in off white color, enamel paint in kitchen and on all trim.

Parquet flooring throughout to be sanded and refinished with two coats of polyurethane. Dark stain or carpet available for additional charge.

Mini-blinds in off white color installed on all windows.

New light fixtures in dining room and new light shade in bedroom (not applicable to efficiencies).

New lower lock and new cylinder on upper lock on front door.

Inspection of convactor units and cleaning. repair or replacement of faulty parts

Replacement of broken glass and damaged screens on windows.

Complete mechanical punchout.

Seller reserves the right to substitute, in its sole discretion, appliances, furnishings and improvements of a type, quality and appearance substantially similar or superior to those items specifically listed above.

THIS DEED

Made this day of in the year 19 , by and
between

THE DUPONT, INC.

a body corporate under and by virtue of the laws of the State of Delaware, acting herein pursuant to a resolution of its Board of Directors, party of the first part, and

part of the second part:

WITNESSETH: that for and in consideration of the sum of Ten Dollars (\$10.00), receipt whereof is hereby acknowledged, the said party of the first part does grant unto the said part of the second part, in fee simple, the following described land and premises, situate in the District of Columbia, and known and distinguished as:

SEE ATTACHED SCHEDULE "A"

together with all and singular the ways, easements, rights, privileges and appurtenances to the same belonging or in anywise appertaining, and all the estate, right, title interest, and claim, either at law or in equity, or otherwise however, of the said party of the first part, of in, to, or out of the said land and premises.

AND the said party of the first part covenants that it will warrant specially the property hereby conveyed, and that it will execute such further assurances of said land as may be requisite.

IN TESTIMONY WHEREOF, the said party of the first part, on the day and year first hereinbefore written, has had its corporate seal hereto attached, and caused these presents to be signed with its corporate name by PETER N. G. SCHWARTZ its President, attested by MARILYN M. ANGELINO its Assistant Secretary, and has appointed the said PETER N. G. SCHWARTZ to be its attorney, the same to acknowledge and deliver according to law.

THE DUPONT, INC.

(CORPORATE SEAL)

By: PETER N. G. SCHWARTZ

Attest: MARILYN M. ANGELINO

DISTRICT OF COLUMBIA

to wit:

I, _____, a Notary Public in and for the District of Columbia, do hereby certify that PETER N. G. SCHWARTZ who is personally well known to me as the person named as attorney in fact in the foregoing Deed, bearing date on the day of _____, A.D. 19____, and hereto annexed, personally appeared before me in said District and as attorney in fact as aforesaid, and by virtue of the authority vested in him by said Deed, acknowledged the same to be the act and deed of the grantor therein

GIVEN under my hand and seal this _____ day of _____ A.D. 19____.

Notary Public

I HEREBY CERTIFY THAT the foregoing and annexed Deed was executed and delivered pursuant to and in strict conformity with the provisions of a resolution of the Board of Directors of

THE DUPONT, INC.

a corporation passed at a regularly called meeting of said Board of Directors, and that a quorum was present at said meeting.

MARILYN M. ANGELINO,
Assistant Secretary

SCHEDULE "A"

[Apartment][Parking] Unit numbered , in the Dupont East Condominium, 1545 18th Street, N.W., in the condominium subdivision made by The Dupont, Inc. situated on Lot , Square 156 as per plat recorded in Condominium Book No. , at page of the records of the Office of the Surveyor for the District of Columbia and in accordance with the Declaration recorded as Instrument No. with the Office of Recorder of Deeds for the District of Columbia.

Together with all of the appurtenances incident to said Unit as contained in said Declaration of Condominium; subject, however, to all restrictions appearing on record and to all the terms, provisions, restrictions, easements, and conditions as contained in said Declaration of Condominium and the Bylaws relating thereto which the party or parties of the second part assume(s) and agree(s) to observe and perform, including, but not limited to the payment of any assessments for the maintenance and operation of said Condominium Unit, as evidenced by his, her, or their signatures hereto affixed.

RECEIPT OF PUBLIC OFFERING STATEMENT

DUPONT EAST CONDOMINIUM

The undersigned hereby acknowledges receipt on the date indicated of a copy of the Public Offering Statement, which the Declarant, through its Agent, certifies is a true copy of the Public Offering Statement filed with the Administrator of the Neighborhood Improvement Administration of the Department of Housing and Community Development of the District of Columbia.

Date

Declarant
The Dupont, Inc.

By: SHANNON & LOCHS CO.

Sales Agent

DATE

Budget
Dupont East Condominium



1545 18TH STREET, N.W.
WASHINGTON DC 20036

7490 THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO
ANNUAL BUDGET FOR THE YEAR ENDING
12/31/2016

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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
INCOME													
ASSESSMENTS													
51500 CONDOMINIUM FEES	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,041	1,356,503
59600 RENT INCOME	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
51530 PARKING (.00936)	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,069	12,817
TOTAL ASSESSMENTS	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	1,393,320
OTHER INCOME													
59200 LATE FEES	83	83	83	83	83	83	83	83	83	83	83	87	1,000
59557 LAUNDRY INCOME	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
59900 MISCELLANEOUS INCOME	708	708	708	708	708	708	708	708	708	708	708	712	8,500
59510 MOVE-IN FEES	750	750	750	750	750	750	750	750	750	750	750	750	9,000
59450 REPAIR & MAINTENANCE	42	42	42	42	42	42	42	42	42	42	42	38	500
59100 VENDING MACHINE INCO	21	21	21	21	21	21	21	21	21	21	21	19	250
TOTAL OTHER INCOME	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,106	49,250
TOTAL REVENUE	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,216	1,442,570
EXPENSES													
ADMINISTRATIVE													
63370 EDUCATION & TRAINING	333	333	333	333	333	333	333	333	333	333	333	337	4,000
63110 OFFICE SUPPLIES	250	250	250	250	250	250	250	250	250	250	250	250	3,000
63900 ADMIN MISCELLANEOUS	500	500	500	500	500	500	500	500	500	500	500	500	6,000
63500 AUDITOR	463	463	463	463	463	463	463	463	463	463	463	457	5,550
63410 ENGINEERING CONSULTA	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
63400 LEGAL	417	417	417	417	417	417	417	417	417	417	417	413	5,000
63200 MANAGEMENT FEES	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,087	73,000
63201 MGMT FEE (NON-CONTRA	382	382	382	382	382	382	382	382	382	382	382	378	4,580
67200 INSURANCE	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,515	42,235
67205 INSURANCE LOSSES	833	833	833	833	833	833	833	833	833	833	833	837	10,000
63311 CONDOMINIUM FEES	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,262	15,100
63523 ANNUAL MEETING	121	121	121	121	121	121	121	121	121	121	121	119	1,450
63554 WEB SITE	208	208	208	208	208	208	208	208	208	208	208	212	2,500
TOTAL ADMINISTRATIVE	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,367	184,415



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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

[illegible]

Current Unaudited Financial Documents
Dupont East Condominium



1545 18TH STREET, N.W.
WASHINGTON DC 20036

<p>THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC CONSOLIDATED OPERATING STATEMENT 05/31/2016</p>
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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

(MO=5)	CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	PERCENT	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	PERCENT	ANNUAL BUDGET	REMAINING BUDGET
TOTAL ASSESSMENTS	116,209	116,110	99	0%	581,045	580,550	495	0%	1,393,320	812,275
TOTAL OTHER INCOME	2,029	4,104	-2,075	-51%	16,969	20,520	-3,551	-17%	49,250	32,281
TOTAL REVENUE	118,238	120,214	-1,976	-2%	598,014	601,070	-3,056	-1%	1,442,570	844,556
EXPENSES										
TOTAL ADMINISTRATIVE	13,751	20,226	6,475	-32%	66,992	76,030	9,038	-12%	184,415	117,423
TOTAL PAYROLL	37,474	40,888	3,414	-8%	198,928	204,440	5,512	-3%	490,650	291,722
TOTAL UTILITIES	22,951	24,450	1,499	-6%	125,036	135,228	10,192	-8%	314,500	189,464
TOTAL REPAIR & MAINTENANC	1,805	7,251	5,446	-75%	19,015	36,255	17,240	-48%	87,000	67,985
TOTAL SERVICE AGREEMENTS	3,349	4,582	1,233	-27%	29,078	32,910	3,832	-12%	81,900	52,822
TOTAL TAXES & LICENSES	0	42	42	-100%	4,820	5,460	640	-12%	11,000	6,180
TOTAL OPERATING EXPENSES	79,330	97,439	18,109	-19%	443,868	490,323	46,455	-9%	1,169,465	725,597
TOTAL RESERVE/SPEC ASSESS	22,748	22,759	11	0%	113,741	113,792	51	0%	273,105	159,364
TOTAL RESERVE EXPENDITURE	0	0	0	0%	0	0	0	0%	0	0
UNBUDGETED EXPENSES	0	0	0	0%	0	0	0	0%	0	0
TOTAL UNBUDGETED EXPENSES	0	0	0	0%	0	0	0	0%	0	0
NET SURPLUS OR DEFICIT	16,161	16	16,145	999%	40,405	-3,045	43,450	999%	0	-40,405

1545 18TH STREET, N.W.
WASHINGTON DC 20036

<p>THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC</p> <p>OPERATING STATEMENT</p> <p>05/31/2016</p>

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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

(MO=5)		CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	PERCENT	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	PERCENT	ANNUAL BUDGET	REMAINING BUDGET
INCOME											
ASSESSMENTS											
51500	CONDOMINUM FEES	113,049	113,042	7	0%	565,245	565,210	35	0%	1,356,503	791,258
59600	RENT INCOME	2,100	2,000	100	5%	10,500	10,000	500	5%	24,000	13,500
51530	PARKING (.00936)	1,060	1,068	-8	-1%	5,300	5,340	-40	-1%	12,817	7,517
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL ASSESSMENTS	116,209	116,110	99	0%	581,045	580,550	495	0%	1,393,320	812,275
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
OTHER INCOME											
59200	LATE FEES	50	83	-33	-40%	408	415	-8	-2%	1,000	593
59557	LAUNDRY INCOME	1,265	2,500	-1,235	-49%	10,253	12,500	-2,247	-18%	30,000	19,747
59900	MISCELLANEOUS INCOME	0	708	-708	-100%	1,372	3,540	-2,168	-61%	8,500	7,128
59510	MOVE-IN FEES	500	750	-250	-33%	4,250	3,750	500	13%	9,000	4,750
59450	REPAIR & MAINTENANCE INCO	160	42	118	281%	383	210	173	82%	500	117
59100	VENDING MACHINE INCOME	54	21	33	159%	304	105	199	189%	250	-54
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL OTHER INCOME	2,029	4,104	-2,075	-51%	16,969	20,520	-3,551	-17%	49,250	32,281
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL REVENUE	118,238	120,214	-1,976	-2%	598,014	601,070	-3,056	-1%	1,442,570	844,556
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
EXPENSES											
ADMINISTRATIVE											
63370	EDUCATION & TRAINING	0	333	333	100%	80	1,665	1,585	95%	4,000	3,920
63110	OFFICE SUPPLIES	0	250	250	100%	1,036	1,250	214	17%	3,000	1,964
63900	ADMIN MISCELLANEOUS	334	500	166	33%	1,469	2,500	1,031	41%	6,000	4,531
63500	AUDITOR	0	5,550	5,550	100%	0	5,550	5,550	100%	5,550	5,550
63410	ENGINEERING CONSULTANTS	800	1,000	200	20%	4,000	5,000	1,000	20%	12,000	8,000
63400	LEGAL	309	417	108	26%	2,129	2,085	-44	-2%	5,000	2,872
63200	MANAGEMENT FEES	6,083	6,083	0	0%	30,415	30,415	0	0%	73,000	42,585
63201	MGMT FEE (NON-CONTRA	376	382	6	1%	2,497	1,910	-587	-31%	4,580	2,083
67200	INSURANCE	3,599	3,520	-79	-2%	17,590	17,600	10	0%	42,235	24,645
67205	INSURANCE LOSSES	0	0	0	0%	0	0	0	0%	10,000	10,000
63311	CONDOMINIUM FEES	1,242	1,258	16	1%	6,210	6,290	80	1%	15,100	8,890
63523	ANNUAL MEETING	700	725	25	3%	950	725	-225	-31%	1,450	500
63554	WEB SITE	308	208	-100	-48%	616	1,040	424	41%	2,500	1,884
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL ADMINISTRATIVE	13,751	20,226	6,475	32%	66,992	76,030	9,038	12%	184,415	117,423



1545 18TH STREET, N.W.
WASHINGTON DC 20036

<p>THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC</p> <p>OPERATING STATEMENT</p> <p>05/31/2016</p>

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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

(MO=5)		CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	PERCENT	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	PERCENT	ANNUAL BUDGET	REMAINING BUDGET
PAYROLL											
	PAYROLL TAXES	2,405	2,717	312	11%	14,299	13,585	-714	-5%	32,600	18,301
67230	GROUP HEALTH INSURANCE	5,138	5,000	-138	-3%	25,805	25,000	-805	-3%	60,000	34,195
63362	401K CONTRIBUTION	0	333	333	100%	0	1,665	1,665	100%	4,000	4,000
63300	BUILDING MANAGER	8,473	8,825	352	4%	41,281	44,125	2,844	6%	105,900	64,619
63325	DESK CLERKS	11,501	12,208	707	6%	60,888	61,040	153	0%	146,500	85,613
65400	ENGINEER	4,021	4,542	521	11%	21,615	22,710	1,095	5%	54,500	32,885
65115	PORTERS	5,935	7,263	1,328	18%	35,039	36,315	1,276	4%	87,150	52,111
	TOTAL PAYROLL	37,474	40,888	3,414	8%	198,928	204,440	5,512	3%	490,650	291,722
UTILITIES											
64500	ELECTRICITY	10,341	11,810	1,469	12%	46,826	48,803	1,977	4%	133,000	86,174
64520	GAS	3,455	3,455	0	0%	40,000	46,065	6,065	13%	78,000	38,000
64540	WATER & SEWER	8,393	8,393	0	0%	34,416	36,400	1,984	5%	94,000	59,584
63600	TELEPHONE	762	792	30	4%	3,795	3,960	165	4%	9,500	5,705
	TOTAL UTILITIES	22,951	24,450	1,499	6%	125,036	135,228	10,192	8%	314,500	189,464
REPAIRS AND MAINTENANCE											
65460	AIR CONDITIONING	0	500	500	100%	2,402	2,500	98	4%	6,000	3,598
65461	HEATING	0	750	750	100%	2,773	3,750	977	26%	9,000	6,227
65825	ELECTRICAL	0	583	583	100%	264	2,915	2,651	91%	7,000	6,736
65840	PLUMBING	54	1,000	946	95%	669	5,000	4,331	87%	12,000	11,331
65621	PAINT & PLASTER	0	500	500	100%	70	2,500	2,430	97%	6,000	5,930
65815	FLOORS/ CARPET	0	417	417	100%	0	2,085	2,085	100%	5,000	5,000
65900	GENERAL SUPPLIES	157	417	260	62%	733	2,085	1,352	65%	5,000	4,267
65150	JANITORIAL SUPPLIES	0	750	750	100%	1,369	3,750	2,381	63%	9,000	7,631
65854	LOCKS KEYS & DOORS	0	83	83	100%	367	415	48	12%	1,000	633
65717	GENERAL REPAIRS	0	667	667	100%	1,138	3,335	2,197	66%	8,000	6,862
65741	ROOFINGS & WATERPROOFING	0	167	167	100%	0	835	835	100%	2,000	2,000
65714	BUILDING EQUIPMENT REPAIR	488	500	12	2%	2,382	2,500	118	5%	6,000	3,618
65455	ELEVATOR REPAIRS	1,105	292	-813	-278%	3,486	1,460	-2,026	-139%	3,500	14
65658	FIRE SAFETY EQUIPMENT	0	417	417	100%	1,815	2,085	270	13%	5,000	3,185
65441	GROUNDS NON CONTRACT	0	208	208	100%	1,547	1,040	-507	-49%	2,500	953
	TOTAL REPAIR & MAINTENANC	1,805	7,251	5,446	75%	19,015	36,255	17,240	48%	87,000	67,985
MAINTENANCE SERVICE AGREEMENTS											
65463	AIR CONDITIONER CONTRACT	0	542	542	100%	1,560	2,710	1,150	42%	6,500	4,940
65465	KPS-16	224	225	1	1%	1,119	1,125	6	1%	2,700	1,581
65442	BOILER CONTRACT	242	333	91	27%	1,212	1,665	453	27%	4,000	2,788
65450	ELEVATOR CONTRACT	0	0	0	0%	6,360	7,000	640	9%	14,000	7,640
65550	WATER TREATMENT	197	208	11	5%	985	1,040	55	5%	2,500	1,515



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THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC
OPERATING STATEMENT
05/31/2016

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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

(MO=5)		CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	PERCENT	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	PERCENT	ANNUAL BUDGET	REMAINING BUDGET
65190	EXTERMINATOR CONTRACT	278	333	55	17%	1,388	1,665	277	17%	4,000	2,612
65180	UNIFORMS	348	400	52	13%	1,784	2,000	216	11%	4,800	3,016
65176	CARPET CLEANING	0	0	0	0%	1,988	0	-1,988	0%	4,400	2,412
65370	GROUPS MAINTENANCE CONTR	1,299	1,333	34	3%	6,493	6,665	172	3%	16,000	9,507
65480	SNOW REMOVAL	0	0	0	0%	523	3,000	2,477	83%	5,000	4,477
65250	TRASH REMOVAL	762	875	113	13%	3,799	4,375	576	13%	10,500	6,701
65650	WINDOW CLEANING	0	0	0	0%	0	0	0	0%	3,500	3,500
65260	TRASH CHUTE CLEANING	0	333	333	100%	1,866	1,665	-201	-12%	4,000	2,134
TOTAL SERVICE AGREEMENTS		3,349	4,582	1,233	27%	29,078	32,910	3,832	12%	81,900	52,822
TAXES & LICENSES											
67150	FEDERAL & STATE INCOME TA	0	0	0	0%	2,000	2,000	0	0%	4,000	2,000
67100	REAL ESTATE TAX	0	0	0	0%	2,820	3,250	430	13%	6,500	3,680
67190	LICENSES, FEES & PERMITS	0	42	42	100%	0	210	210	100%	500	500
TOTAL TAXES & LICENSES		0	42	42	100%	4,820	5,460	640	12%	11,000	6,180
TOTAL OPERATING EXPENSES		79,330	97,439	18,109	19%	443,868	490,323	46,455	9%	1,169,465	725,597
RESERVE CONTRIBUTIONS											
70010	REPLACEMENT RESERVE CONTR	22,759	22,759	0	0%	113,792	113,792	0	0%	273,105	159,313
70012	INTEREST CONTRIBUTION TO	882	0	-882	0%	-2,680	0	2,680	0%	0	2,680
54100	INTEREST INCOME	-893	0	893	0%	2,629	0	-2,629	0%	0	-2,629
TOTAL RESERVE CONTRIBUTIO		22,748	22,759	11	0%	113,741	113,792	51	0%	273,105	159,364
RESERVE EXPENDITURES											
74200	REPLACEMENT RESERVE EXPEN	-500	0	500	0%	-500	0	500	0%	0	500
74210	TRANSFER FROM REPLACEMENT	500	0	-500	0%	500	0	-500	0%	0	-500
TOTAL RESERVE EXPENDITURE		0	0	0	0%	0	0	0	0%	0	0
NET SURPLUS OR DEFICIT		16,161	16	16,145	999%	40,405	-3,045	43,450	999%	0	-40,405



THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC
BALANCE SHEET
05/31/2016

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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE
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ALEXANDRIA VA 22312-2063

OPERATING CASH			
11203	Oper. Cash-Alliance Bank	110,073.07	

	TOTAL OPERATING CASH		110,073.07
OPERATING SAVINGS CASH			
13655	Suntrust CD 1.59%	103,800.51	

	TOTAL OPERATING SAVINGS CASH		103,800.51

	TOTAL OPERATING CASH		213,873.58
ACCOUNTS RECEIVABLE			
11320	Delinquent - Res. Assessments	8,712.00	
11366	Delinquent - Late Fees	363.50	
11400	Accounts Receivable	200.00	
11465	A/R Laundry Income	2,500.00	
11482	Due (To)/From Reserves	196,322.93	
11501	Deferred Health Care Tax Credit	12,848.00	

	TOTAL ACCOUNTS RECEIVABLE		220,946.43
PREPAID EXPENSES			
12410	POL 10/5/15-10/5/16	9,560.98	
12410	POL 10/2015-10/2016	1,635.87	

	TOTAL PREPAID EXPENSES		11,196.85

	TOTAL CURRENT ASSETS		446,016.86
FUNDED RESERVES			
13220	Wells Fargo MMKT	137,588.67	
13220	Suntrust MMKT	6,055.66	
13220	Alliance Bank MMKT	198,034.99	
13250	Suntrust CD 11/07/16 0.67%	103,490.47	
13250	Congressional Bank CD 2/22/16 1.24%	103,300.40	
13250	Capital One CD 6/14/18 0.9%	225,000.00	
13258	Cdars	957,970.93	
13690	Accrued Interest Reserves	1,487.04	
13219	Due/From Operating Fund	-196,322.93	

	TOTAL FUNDED RESERVES		1,536,605.23
FIXED ASSETS			



THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC
BALANCE SHEET
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14200	Building-Units 111 and 321	124,516.50	
14205	Accumulated depreciation-Building	-124,516.50	
14350	Equipment	22,665.13	
14355	Accumulated depreciation-Equipment	-12,951.52	

	NET FIXED ASSETS		9,713.61

	TOTAL ASSETS		1,992,335.70
			=====
	LIABILITIES		
	CURRENT LIABILITIES		
	ACCOUNTS PAYABLE CONTRACTS		
20080	Uniforms	348.18	
20100	Trash Removal	764.20	
20130	Landscaping	1,298.56	

	TOTAL ACCOUNTS PAYABLE		2,410.94
	ACCRUED EXPENSES		
20400	Electricity	16,188.96	
20405	Gas	8,502.04	
20415	Water/Sewer	11,263.00	
21200	Payroll Accrual	16,581.00	
21112	Accrued Vacation	6,185.20	

	TOTAL ACCRUED EXPENSES		58,720.20
	OTHER CURRENT LIABILITIES		
21910	Security Deposits	2,100.00	
22120	Prepaid-Residential Assessments	16,247.75	
22150	Prepaid-Parking Assessments	230.00	

	TOTAL OTHER CURRENT LIABILITIES		18,577.75

	TOTAL LIABILITIES		79,708.89
	MEMBER'S EQUITY		
	RESERVES		
	RESERVE FOR REPLACEMENTS		
32200	Beginning Balance	1,438,777.29	
32205	Current Year Additions	113,792.00	



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ALEXANDRIA VA 22312-2063

32208	Current Year Rsrv Interes	-2,680.05	
32210	Current Year Disbursements	-14,771.05	

	Total Reserve for Replacement		1,535,118.19

	TOTAL RESERVES		1,535,118.19
	FUND BALANCE		
32420	Association Equity	337,103.42	
	Current Year fund Balance	40,405.20	

	TOTAL FUND BALANCE		377,508.62

	TOTAL MEMBERS EQUITY		1,912,626.81

	TOTAL LIABILITIES & EQUITY		1,992,335.70
			=====

Reserve Study
Dupont East Condominium

Component List and Cash Flow Analysis

Notes	Item	Quantity	Unit	Unit Cost	Falcon Total Cost	Downey Total Cost	Normal Useful Life	Remaining Useful Life	Property Age/Year						
									52 2012	53 2013	54 2014	55 2015	56 2016	57 2017	58 2018
	Site														
1	Waterproof planters100&plants25	2,000	sf	\$25	\$125,000	\$50,000	40	1		\$0	\$125,000				
2	Perimeter iron fence*	140	lf	\$27	\$3,800	\$15,000	40	35							
2a	Concrete Walkway & Curb	630	lf	\$25	\$15,750		30	26							
3	Irrigation system*	1	ls	\$10,000	\$0	\$10,000	20								
4	Landscaping refurbishment*	1	ls	\$10,000	\$0	\$10,000	10								
5	Retaining wall	175	sf	\$50	\$17,500	\$17,500	60	40							
6	Entrance flagstone*	320	sf	\$25	\$16,000	\$16,000	40	35							
7	Entrance canopy	1	ls	\$33,500	\$33,500	\$75,000	40	3				\$33,500			
	Pavements and Parking														
8	Struc/Bld.Leak/Garage/deck membrane	6,500	sf	\$45.00	\$397,000	\$260,000	40	1		\$0	\$392,000				
9	Sealcoat paving*link 7 yrs after# 8	900	sy	\$2	\$2,500	\$1,800	7	c # 8							
10	Overlay paving	900	sy	\$15	\$25,550	\$13,500	25	1		\$0	\$25,500				
11	Concrete structural repairs	1	ls	\$25,000	\$25,000	\$25,000	40	1		\$0	\$25,000				
11a	Garage Driveway Paving	185	sy	\$35	\$6,475		25	15		\$0	\$6,475				
12	Garage door*	1	ls	\$5,500	\$12,000	\$12,000	15	3				\$12,000			
	Building Exterior														
13	Tuckpointing and masonry repairs	4,950	ls	\$5	\$24,750		20	20	\$24,750			\$24,750			
13a	Tuckpointing and masonry repairs				\$260,000	\$100,000	20	2			\$0	\$130,000	\$130,000		
14	Caulking	14,000	lf	\$4	\$49,000	\$56,000	7	2				\$24,500	\$24,500		
15	Windows	1	ls	\$1,600,000	\$1,600,000	\$1,600,000	40	35							
16	Doors*	5	ea	\$1,500	\$7,500	\$6,000	30	3				\$7,500			
	Roofing														
17	Roof	145	sf	\$2,310	\$335,008	\$261,000	20	15							
17a	Roof Deck Anchors	1		\$48,000	\$48,000		20	15							
17b	Roof Deck Decking	1,215		\$25	\$30,375		15	1		\$30,375					
17c	Roof Skylight	1		\$7,500	\$7,500		30	15							
17d	Roof Deck Furnishings	1		\$7,500	\$7,500		8	4					\$7,500		
18	Roof Deck Structure (6)	1	ls	\$200,000		\$200,000	40	0							
	Vertical Transportation														
19	Elevator hoist equipment	2	ea	\$80,000	\$160,000	\$75,000	30	10							
20	Elevator controls and door operators	1	ls	\$75,000	\$75,000	\$100,000	30	16							
	Mechanical Equipment														
21	Cooling tower fill*	1	ls	\$10,000	incl 22	\$10,000	see notes								
22	Cooling tower	1	ls	\$65,000	\$75,000	\$125,000	20	18							

Component List and Cash Flow Analysis

Notes	Item	Quantity	Unit	Unit Cost	Falcon Total Cost	Downey Total Cost	Normal Useful Life	Remaining Useful Life	Property Age/Year						
									52 2012	53 2013	54 2014	55 2015	56 2016	57 2017	58 2018
23	Chiller	1	ls	\$245,000	\$245,000	\$200,000	20	20	\$245,000						
24	Boiler	1	ls	\$100,000	\$100,000	\$90,000	20	9							
25	Pumps 15 hp	3	ea	\$17,500	\$52,500	\$45,000	30	7							
26	Rebuild pumps	4	ea	\$2,000	\$8,000	\$8,000	7	7							\$8,000
27	Valves	12	ls	\$2,750	\$33,000	\$30,000	40	5						\$33,000	
28	Boiler room piping	1	ls	\$20,000	\$40,000	\$40,000	50	9							
29	Control system	1	ls	\$10,000	\$10,000	\$10,000	20	20	\$10,000						
30	HVAC Risers and piping (9)	1	ls	\$300,000	\$400,000	\$400,000	50	5							\$400,000
31	Corridor air handler	1	ls	\$30,000	\$30,000	\$40,000	20	8							
32	Lobby air handler	1	ls	\$13,000	\$13,000	\$20,000	20	18							
33	Garage Heaters (air handler)	3	ls	\$1,500	\$4,500	\$15,000	20	7							
34	Exhaust fans '(3)	22	ea	\$3,250	\$71,500	\$55,000	20	5						\$71,000	
34a	Laundry Exhaust Fan	1		\$2,500	\$2,500		15	5						\$2,500	
35	Clean exhaust ductwork*	30	ea	\$250	\$7,500	\$7,500	10								
36	Garage exhaust fans (4)	2	ea	\$3,000	\$6,000	\$6,000	30								
36a	Backup Generator	1		\$30,000	\$30,000		15	3				\$30,000			
37	Expansion tank	2	ls	\$5,000	\$10,000	\$4,000	50	2			\$10,000				
	Electrical														
38	Switchgear	1	ls	\$75,000	\$75,000	\$100,000	50	2			\$75,000				
39	Tighten electrical connections*	1	ls	\$5,000	N/A	\$5,000	5								
40	Electrical repairs and replacement*	1	ls	\$5,000	N/A	\$5,000	15								
41	Interior lights*	1	ls	\$12,500	\$12,500	\$10,000	20	7							\$12,500
42	Exterior lights*	1	ls	\$3,500	\$3,500	\$5,000	20	8							
43	Garage lights*	1	ls	\$10,000	\$10,000	\$3,000	30	1		\$0	\$10,000				
	Plumbing														
44	Hot water boiler	1	ls	\$22,090	\$105,000	\$40,000	20	13							
45	Heat exchanger '(5)	1	ls	\$32,000	\$32,000	\$25,000	50	2			\$32,000				
46	Hot water storage tank (1)	1	ls	\$22,090	\$22,090	\$5,000	30	30	\$22,090						
47	Domestic water booster pump	3	ls	\$7,500	\$22,500	\$20,000	30	10							
48	Domestic Water Supply Risers	1	ls	\$200,000			45								
49	Domestic Water Drain risers (2)	1	ls	\$310,000	\$400,000	\$300,000	50	7							
	Life Safety														
50	Fire alarm	1	ls	\$34,400	\$34,400	\$150,000	30	25							
51	Garage sprinklers	1	ls	\$7,500	\$7,500	\$5,000	50	49							
52	Sprinkler pipe repairs	1	ls	\$5,000	N/A	\$5,000	15								
	Miscellaneous														

Component List and Cash Flow Analysis

Notes	Item	Quantity	Unit	Unit Cost	Falcon Total Cost	Downey Total Cost	Normal Useful Life	Remaining Useful Life	Property Age/Year						
									52 2012	53 2013	54 2014	55 2015	56 2016	57 2017	58 2018
53	Access system	1	ls	\$8,900	\$8,900	\$15,000	15	13							
54	Laundry equipment*	1	ls	\$25,000	\$25,000	\$12,000	8	8	\$25,000						
54a	Laundry Rm & Hallway Flr & Paint	582		\$9	\$5,384				\$5,384						
54b	Large Washer & Dryer	1		\$8,000	\$8,000		8	8							
55	Trash compactor (11)	1	ls	\$25,000	\$25,000	\$25,000	20	3		\$0	\$25,000				
	Finishes														
56	Corridor paint*	55,000	sf	\$1.50	\$82,500	\$41,250	8	6						\$0	\$82,500
57	Corridor carpet *	1,700	sy	\$35	\$59,500	\$52,500	8	6						\$0	\$59,500
57a	Stair Treads	1		\$33,000	\$33,000		20	3				\$33,000			
57b	Unit 111 Rehab	1		\$35,000	\$35,000		25	18							
57c	Unit 321 Rehab	1		\$35,000	\$35,000		25	10							
58	Lobby redecoration	1	ls	\$60,000	\$60,000	\$65,000	15	10						\$0	
59	Lobby desk reconfiguration	1	ls	\$25,000	\$25,000	\$100,000	15	10						\$0	
60	Elevator cab finishes	2	ea	\$5,500	\$11,000	\$8,000	15	5						\$11,000	
61	Management office*	1	ls	\$7,500	\$7,500	\$25,000	15	10					\$0		
	Totals				\$5,568,481	\$5,031,050									
Totals in base year dollars									\$332,224	\$30,375	\$725,975	\$295,250	\$162,000	\$117,500	\$562,500
Totals with inflation										\$30,983	\$755,304	\$313,322	\$175,354	\$129,729	\$633,466
No. 8 inclcs. 25 legal & 75 parking						Total with 2%									

Component List and Cash Flow Analysis

Notes	Item	59	60	61	62	63	64	65	66	67	68	69	70	71
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Site													
1	Waterproof planters100&plants25													
2	Perimeter iron fence*													
2a	Concrete Walkway & Curb													
3	Irrigation system*													
4	Landscaping refurbishment*													
5	Retaining wall													
6	Entrance flagstone*													
7	Entrance canopy													
	Pavements and Parking													
8	Struc/Bld.Leak/Garage/deck membrane													
9	Sealcoat paving*link 7 yrs after# 8			\$2,500							\$2,500			
10	Overlay paving													
11	Concrete structural repairs													
11a	Garage Driveway Paving													
12	Garage door*												\$12,000	
	Building Exterior													
13	Tuckpointing and masonry repairs													
13a	Tuckpointing and masonry repairs													
14	Caulking			\$49,000							\$49,000			
15	Windows													
16	Doors*													
	Roofing													
17	Roof									\$335,008				
17a	Roof Deck Anchors									\$48,000				
17b	Roof Deck Decking									\$30,375	\$0			
17c	Roof Skylight									\$7,500				
17d	Roof Deck Furnishings						\$7,500							
18	Roof Deck Structure (6)													
	Vertical Transportation													
19	Elevator hoist equipment				\$160,000									
20	Elevator controls and door operators										\$100,000			
	Mechanical Equipment													
21	Cooling tower fill*													
22	Cooling tower												\$75,000	

Component List and Cash Flow Analysis

Notes	Item													
		59 2019	60 2020	61 2021	62 2022	63 2023	64 2024	65 2025	66 2026	67 2027	68 2028	69 2029	70 2030	71 2031
23	Chiller													
24	Boiler			\$100,000										
25	Pumps 15 hp	\$52,500												
26	Rebuild pumps							\$8,000						
27	Valves													
28	Boiler room piping			\$40,000										
29	Control system													
30	HVAC Risers and piping (9)													
31	Corridor air handler		\$30,000											
32	Lobby air handler												\$13,000	
33	Garage Heaters (air handler)	\$4,500												
34	Exhaust fans '(3)									\$0				
34a	Laundry Exhaust Fan													
35	Clean exhaust ductwork*													
36	Garage exhaust fans (4)													
36a	Backup Generator												\$30,000	
37	Expansion tank													
	Electrical													
38	Switchgear													
39	Tighten electrical connections*													
40	Electrical repairs and replacement*													
41	Interior lights*													
42	Exterior lights*		\$3,500											
43	Garage lights*													
	Plumbing													
44	Hot water boiler							\$105,000						
45	Heat exchanger '(5)													
46	Hot water storage tank (1)													
47	Domestic water booster pump				\$22,500									
48	Domestic Water Supply Risers													
49	Domestic Water Drain risers (2)		\$400,000											
	Life Safety													
50	Fire alarm													
51	Garage sprinklers													
52	Sprinkler pipe repairs													
	Miscellaneous													

Component List and Cash Flow Analysis

Notes	Item													
		59 2019	60 2020	61 2021	62 2022	63 2023	64 2024	65 2025	66 2026	67 2027	68 2028	69 2029	70 2030	71 2031
53	Access system							\$8,900						
54	Laundry equipment*		\$25,000								\$25,000			
54a	Laundry Rm & Hallway Flr & Paint		\$5,384								\$5,384			
54b	Large Washer & Dryer		\$8,000								\$8,000			
55	Trash compactor (11)													
	Finishes													
56	Corridor paint*								\$82,500					
57	Corridor carpet *								\$59,500					
57a	Stair Treads													
57b	Unit 111 Rehab												\$35,000	
57c	Unit 321 Rehab				\$35,000									
58	Lobby redecoration			\$60,000					\$0				\$60,000	
59	Lobby desk reconfiguration			\$25,000					\$0				\$25,000	
60	Elevator cab finishes													
61	Management office*			\$7,500										
	Totals													
		\$57,000	\$471,884	\$284,000	\$217,500	\$0	\$7,500	\$121,900	\$142,000	\$420,883	\$189,884	\$0	\$250,000	\$0
		\$65,475	\$552,887	\$339,406	\$265,131	\$0	\$9,512	\$157,691	\$187,366	\$566,453	\$260,669	\$0	\$357,062	\$0
No. 8 incl. 25 legal & 75 parking		\$58,140	\$481,321	\$289,680	\$221,850	\$0	\$7,650	\$124,338	\$144,840	\$429,301	\$193,681	\$0	\$255,000	\$0

SF = square feet
LF = linear feet
SY = square yards
EA = each
LS = lump sum
Quantities are approximate.

NOTES From Comparison to Downey Re

- * Engineering and oversight costs have been in
- (1) Some of the ancillary costs were absorbed in
- (2) This assumes that an epoxy lining will be ap
- "(3) This refers to the exhaust fans on the roof an
- (4) This system seems to have been abandoned
- (5) See original notes from the Downey study, tl
- (6) This refers to the steel structure supporting t

Notes	Item												Totals in study period
		72 2032	73 2033	74 2034	75 2035	76 2036	77 2037	78 2038	79 2039	80 2040	2041	81 2042	
	Site												
1	Waterproof planters100&plants25												\$125,000
2	Perimeter iron fence*												
2a	Concrete Walkway & Curb							\$15,750					
3	Irrigation system*												
4	Landscaping refurbishment*												
5	Retaining wall												
6	Entrance flagstone*												
7	Entrance canopy												\$33,500
	Pavements and Parking												
8	Struc/Bld.Leak/Garage/deck membrane												\$392,000
9	Sealcoat paving*link 7 yrs after# 8				\$2,500							\$2,500	\$10,000
10	Overlay paving						\$25,500						\$51,000
11	Concrete structural repairs												\$25,000
11a	Garage Driveway Paving								\$6,475		\$6,475		
12	Garage door*												\$24,000
	Building Exterior												
13	Tuckpointing and masonry repairs			\$24,750									\$74,250
13a	Tuckpointing and masonry repairs			\$130,000	\$130,000								
14	Caulking			\$24,500	\$24,500							\$49,000	\$245,000
15	Windows												
16	Doors*												\$7,500
	Roofing												
17	Roof												\$335,008
17a	Roof Deck Anchors												
17b	Roof Deck Decking												
17c	Roof Skylight						\$0						
17d	Roof Deck Furnishings	\$7,500								\$7,500			
18	Roof Deck Structure (6)												
	Vertical Transportation												
19	Elevator hoist equipment												\$160,000
20	Elevator controls and door operators												\$100,000
	Mechanical Equipment												
21	Cooling tower fill*												
22	Cooling tower												\$75,000

Notes	Item												Totals in study period
		72 2032	73 2033	74 2034	75 2035	76 2036	77 2037	78 2038	79 2039	80 2040	2041	81 2042	
23	Chiller	\$245,000											\$490,000
24	Boiler										\$100,000		\$200,000
25	Pumps 15 hp												\$52,500
26	Rebuild pumps	\$8,000							\$8,000				\$32,000
27	Valves												\$33,000
28	Boiler room piping												\$40,000
29	Control system	\$10,000											\$20,000
30	HVAC Risers and piping (9)												\$400,000
31	Corridor air handler									\$30,000			\$60,000
32	Lobby air handler												\$13,000
33	Garage Heaters (air handler)								\$4,500				\$9,000
34	Exhaust fans '(3)						\$71,500						\$142,500
34a	Laundry Exhaust Fan	\$2,500											\$5,000
35	Clean exhaust ductwork*												
36	Garage exhaust fans (4)												
36a	Backup Generator												
37	Expansion tank												\$10,000
	Electrical												
38	Switchgear												\$75,000
39	Tighten electrical connections*												
40	Electrical repairs and replacement*												
41	Interior lights*							\$12,500					\$25,000
42	Exterior lights*									\$3,500			\$7,000
43	Garage lights*											\$10,000	\$20,000
	Plumbing												
44	Hot water boiler												\$105,000
45	Heat exchanger '(5)												\$32,000
46	Hot water storage tank (1)											\$22,090	\$44,180
47	Domestic water booster pump												\$22,500
48	Domestic Water Supply Risers												
49	Domestic Water Drain risers (2)												\$400,000
	Life Safety												
50	Fire alarm						\$34,400						\$34,400
51	Garage sprinklers												
52	Sprinkler pipe repairs												
	Miscellaneous												

Notes	Item												Totals in study period
		72 2032	73 2033	74 2034	75 2035	76 2036	77 2037	78 2038	79 2039	80 2040	2041	81 2042	
53	Access system									\$8,900			\$17,800
54	Laundry equipment*					\$25,000							\$100,000
54a	Laundry Rm & Hallway Flr & Paint					\$5,384							
54b	Large Washer & Dryer					\$8,000							
55	Trash compactor (11)			\$25,000									\$50,000
	Finishes												
56	Corridor paint*			\$82,500								\$82,500	\$330,000
57	Corridor carpet *			\$59,500								\$59,500	\$238,000
57a	Stair Treads				\$33,000								
57b	Unit 111 Rehab												
57c	Unit 321 Rehab												
58	Lobby redecoration									\$60,000			\$180,000
59	Lobby desk reconfiguration									\$25,000			\$75,000
60	Elevator cab finishes	\$11,000											\$22,000
61	Management office*	\$0					\$7,500					\$0	\$15,000
	Totals												
		\$284,000	\$0	\$346,250	\$190,000	\$38,384	\$138,900	\$28,250	\$18,975	\$134,900	\$106,475	\$225,590	\$4,957,138
		\$422,009	\$0	\$535,295	\$299,611	\$61,738	\$227,880	\$47,274	\$32,388	\$234,864	\$189,083	\$408,625	\$7,258,579
No. 8 inclcs. 25 legal & 75 parking		\$289,680	\$0	\$353,175	\$193,800	\$39,152	\$141,678	\$28,815	\$19,355	\$137,598	\$108,605	\$230,102	

SF = square feet
LF = linear feet
SY = square yards
EA = each
LS = lump sum
Quantities are approximate.

NOTES From Comparison to Downey Re

- * Engineering and oversight costs have been included
- (1) Some of the ancillary costs were absorbed in the main estimate
- (2) This assumes that an epoxy lining will be applied to the steel structure supporting the roof
- "(3) This refers to the exhaust fans on the roof and not the mechanical exhaust system
- (4) This system seems to have been abandoned
- (5) See original notes from the Downey study, titled "Dupont East Reserve Study"
- (6) This refers to the steel structure supporting the roof

Funding Analysis with Current Contributions and Assessments

Age	Year	Total Inflated Costs	Reserve Fund			
			Beginning of Year Balance	Annual Assessment (note 1)	Additional Funds (note 2)	End of Year Balance
52	2012	\$332,224	\$878,312	\$192,000		\$738,088
53	2013	\$30,983	\$738,088	\$262,500	\$248,116	\$1,217,722
54	2014	\$740,495	\$1,217,722	\$267,750	\$121,362	\$866,339
55	2015	\$301,155	\$866,339	\$273,105		\$838,289
56	2016	\$165,240	\$838,289	\$278,567		\$951,616
57	2017	\$119,850	\$951,616	\$284,138		\$1,115,905
58	2018	\$573,750	\$1,115,905	\$289,821		\$831,976
59	2019	\$58,140	\$831,976	\$295,618		\$1,069,453
60	2020	\$481,321	\$1,069,453	\$301,530		\$889,662
61	2021	\$289,680	\$889,662	\$307,561		\$907,543
62	2022	\$221,850	\$907,543	\$313,712		\$999,405
63	2023	\$0	\$999,405	\$319,986		\$1,319,391
64	2024	\$7,650	\$1,319,391	\$326,386		\$1,638,126
65	2025	\$124,338	\$1,638,126	\$332,913		\$1,846,702
66	2026	\$144,840	\$1,846,702	\$339,572		\$2,041,434
67	2027	\$429,301	\$2,041,434	\$346,363		\$1,958,496
68	2028	\$193,681	\$1,958,496	\$353,290		\$2,118,105
69	2029	\$0	\$2,118,105	\$360,356		\$2,478,462
70	2030	\$255,000	\$2,478,462	\$367,563		\$2,591,025
71	2031	\$0	\$2,591,025	\$374,915		\$2,965,940
72	2032	\$289,680	\$2,965,940	\$382,413		\$3,058,673
73	2033	\$0	\$3,058,673	\$390,061		\$3,448,734
74	2034	\$353,175	\$3,448,734	\$397,862		\$3,493,421
75	2035	\$193,800	\$3,493,421	\$405,820		\$3,705,441
76	2036	\$39,152	\$3,705,441	\$413,936		\$4,080,225
77	2037	\$141,678	\$4,080,225	\$422,215		\$4,360,762
78	2038	\$28,815	\$4,360,762	\$430,659		\$4,762,606
79	2039	\$19,355	\$4,762,606	\$439,272		\$5,182,524
80	2040	\$137,598	\$5,182,524	\$448,058		\$5,492,984
81	2041	\$108,605	\$5,492,984	\$457,019		\$5,841,398
74	2042	\$230,102	\$5,841,398	\$466,159		\$6,077,455
Totals		\$5,781,354		\$10,374,962	\$369,478	

Assumed Inflation rate = 2.0%

Base year = 2012

Note 1: Annual assessment increases at two percent per year

Note 2: Additional funds are amount needed to keep positive end of year balance.

Note 3: Interest from reserve fund is reinvested in the reserve fund

Notes

General notes: Some items are replacements. Some items are major repairs. See the specific notes for each item.
Design and project management costs are included where appropriate.

Some items are not replaced in their entirety and some are not replaced during the study period. Items in *italics* have costs that are expected to occur beyond the study period.

Engineering consulting and project oversight fees have been included in the cost estimates. Items 2-4, 6, 9, 12, 16, 21, 35, 39-43, 54, and 56, 57, and 61 were assumed to be designed and managed by the board or the site manager and engineering/project oversight costs have not been included in these items.

	Site	
1	Waterproof planters100&plants25	Remove and replace the waterproofing membrane in the planters. This includes an allowance to improve the configuration of the planter drains.
2	Perimeter iron fence*	Install decorative iron fence at perimeter planters. While there is not presently a fence installed, a fence would improve the appearance and security of the property. This item was included at the request of the Board.
3	Irrigation system*	Install an irrigation system in the planter beds. While there is not presently an irrigation system installed, it would improve the operations of the property.
4	Landscaping refurbishment*	Allowance to replace major plantings.
5	Retaining wall	Remove and replace damaged retaining walls. Typically walls are replaced when there is substantial movement of the wall or the wall is out of plumb. The timing of replacement of retaining walls cannot be accurately predicted and has been based on the average lifespan of retaining walls.
6	Entrance flagstone*	Replace flagstone at the building entrance. It is assumed that flagstone will be periodically reset as a part of normal building maintenance.
7	Entrance canopy	Replace the entrance canopy.
	Pavements and Parking	
8	Struc/Bld.Leak/Garage/deck membrane	Remove and replace the waterproofing membrane over the garage. This will require removal of the paving and work at the edges of the planters.
9	Sealcoat paving*link 7 yrs after# 8	Seal cracks, apply surface sealer, re-stripe. This includes an allowance for repairs to the pavement.
10	Overlay paving	Mill edges and install hot mix overlay. Includes a repair allowance to replace damaged pavement.
11	Concrete structural repairs	Make repairs to damaged structure supporting the parking area. These repairs should be made after the leaks have been corrected.
12	Garage door*	Remove and replace the garage door and operator.

	Building Exterior	
13	Tuckpointing and masonry repairs	Remove and replace deteriorated mortar joints. This includes an allowance for brick replacement and flashing repairs.
14	Caulking	Remove and replace caulking at window perimeters and control joints.
15	Windows	Remove and replace windows.
16	Doors*	Remove and replace exterior service doors
	Roofing	
17	Roof	Remove and replace the roof membrane. There are presently two membranes on the roof and wet insulation between the membranes. Both roofs will have to be removed and a new roof installed.
18	Roof Deck Structure (6)	Remove and replace the metal structure that supports the roof deck. The life of the structure can be extended by painting areas of the structure as they rust.
	Vertical Transportation	
19	Elevator hoist equipment	Replace the elevator hoist machinery.
20	Elevator controls and door operators	Replace the elevator controls and equipment that opens the elevator doors.
	Mechanical Equipment	
21	Cooling tower fill*	Remove and replace the cooling tower fill. The fill is bundles of plastic panels that water flows over inside the tower to cool the water. The present fill is cracked and coated with heavy accumulations of
22	Cooling tower	Remove and replace the cooling tower. The fans and motors of the tower were recently rebuilt but the case and the sump of the tower are past their useful service lives and the fill is in need of replacement.
23	Chiller	Remove and replace the chiller.
24	Boiler	Remove and replace the boiler that heats the building.
25	Pumps 15 hp	Replace the pumps that circulate condenser water and chilled/hot water through the building.
26	Rebuild pumps	The pumps for the mechanical systems will require periodic replacement or repair of seals, shafts, and other parts.
27	Valves	Large control and isolation valves in the mechanical room will periodically require rebuilding or replacement due to age and corrosion.
28	Boiler room piping	The piping in the boiler room is original to the building and will eventually require replacement.
29	Control system	The original controls are partially functional and there have been several modifications to the controls for the HVAC system. An integrated control system would greatly simplify control of equipment and result in better operation of the HVAC system.
30	HVAC Risers and piping (9)	There have not yet been any significant leaks from the HVAC supply risers. Such leaks can be expected to occur over time and to become more frequent once they start to occur. Proper water treatment will greatly extend the life of the piping.

31	Corridor air handler	Remove and replace the air handler that supplies fresh air to the corridors.
32	Lobby air handler	Remove and replace the air handler that serves the lobby. This air handler is original to the building.
33	Garage Heaters (air handler)	Remove and replace the air handler that heats the garage. This air handler is original to the building.
34	Exhaust fans '(3)	Remove and replace rooftop exhaust fans.
35	Clean exhaust ductwork*	Clean the exhaust ductwork that serves the kitchen, bathroom, and clothes dryer exhaust. This will improve the air flow in the ductwork and the overall efficiency of the system.
36	Garage exhaust fans (4)	Remove and replace the garage exhaust and supply fans.
37	Expansion tank	Remove and replace the expansion tank for the piping that serves the convectors.
	Electrical	
38	Switchgear	Remove and replace the switchgear. The switchgear controls the electricity supplied to the building. It is difficult to locate replacement parts for this brand of equipment. When replacement parts cannot be located, the equipment will have to be replaced.
39	Tighten electrical connections*	Connections on major electrical equipment require periodic tightening and maintenance to maximize equipment life. This includes an allowance to replace damaged or degraded components found during tightening.
40	Electrical repairs and replacement*	This is an allowance to make repairs to electrical equipment and limited replacement of panels and disconnects.
41	Interior lights*	Replace interior light fixtures.
42	Exterior lights*	Replace exterior light fixtures.
43	Garage lights*	Replace garage light fixtures.
	Plumbing	
44	Hot water boiler	Remove and replace the boilers that heat domestic hot water during the summer months.
45	Heat exchanger '(5)	Remove and replace the heat exchanger that heats domestic hot water in the winter months from the main boilers.
46	Hot water storage tank (1)	Remove and replace the hot water storage tank.
47	Domestic water booster pump	Replace the domestic water booster pump system which supplies water to the top floors of the building. Presently, the pumps are manually controlled and at least one pump runs continuously. A system with better controls would reduce energy consumption.
48	Domestic Water Supply Risers	There have been a few leaks from the domestic water supply risers. These leaks will become more frequent as time progresses. Eventually the risers will have to be replaced or the cost of repairs and damage from leaks will become cost prohibitive.
49	Domestic Water Drain risers (2)	Remove and replace drain risers and piping. We have assumed that the drain piping will be replaced along with the supply piping to minimize the opening of and repairs to the walls to access the piping.

	Life Safety	
50	Fire alarm	Replace the fire alarm panel. This includes an allowance for limited repairs to devices and wiring.
51	Garage sprinklers	Sprinkler heads are required to be replaced or tested after 50 years in service.
52	Sprinkler pipe repairs	Allowance for repairs and limited replacement of the sprinkler piping in the garage.
	Miscellaneous	
53	Access system	Remove and replace entrance buzzer access system.
54	Laundry equipment*	Remove and replace washer and dryers.
55	Trash compactor (11)	Replace trash compactor.
	Finishes	
56	Corridor paint*	Repaint the walls and ceiling, and make repairs to the walls.
57	Corridor carpet *	Replace the carpeting in the corridors.
58	Lobby redecoration	Replace the entrance lobby finishes, flooring, and furnishings.
59	Lobby desk reconfiguration	Change the layout of the front desk to allow improved security and better use of the desk by staff and residents.
60	Elevator cab finishes	Replace elevator cab finishes.
61	Management office*	Replace the office furniture and equipment.
	Totals	



Principals

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Associate Principals

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Managers

Allison A. Day, CPA
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Sheila M. Lewis, CPA

Independent Auditor's Report

To the Board of Directors of
Dupont East Condominium Association

Report on the Financial Statements

We have audited the accompanying financial statements of Dupont East Condominium Association, which comprise the balance sheets as of December 31, 2014 and 2013, and the related statements of income, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

We were unable to obtain an understanding of the Internal Controls of Coinmach Corporation, which collects laundry income for the Association. Auditing standards require the auditor to obtain an understanding of the internal controls of a third-party service provider to the Association. As a result, we were unable to evaluate and assess the risk associated with the entity's internal controls over the Association's financial statements.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Dupont East Condominium Association as of December 31, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that information on future major repairs and replacements on page 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Goldklang Group CPAs, P.C.

Reston, Virginia
April 22, 2015

DUPONT EAST CONDOMINIUM ASSOCIATION
BALANCE SHEETS
DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 313,646	\$ 871,488
Interest-Bearing Deposits	1,333,997	855,780
Assessments Receivable	6,004	1,266
Accrued Interest	2,889	685
Income Taxes Receivable	-	4,121
Accounts Receivable - Other	3,285	1,344
Prepaid Insurance	10,734	10,057
Deferred Taxes	12,848	15,556
Fixed Assets - Net	<u>12,952</u>	<u>16,190</u>
 Total Assets	 <u>\$ 1,696,355</u>	 <u>\$ 1,776,487</u>

LIABILITIES AND MEMBERS' EQUITY

Accounts Payable	\$ 149,173	\$ 66,036
Prepaid Assessments	16,228	14,092
Security Deposit	<u>2,100</u>	<u>2,100</u>
Total Liabilities	<u>\$ 167,501</u>	<u>\$ 82,228</u>
 Replacement Reserves	 \$ 1,197,494	 \$ 1,305,678
Unappropriated Members' Equity	<u>331,360</u>	<u>388,581</u>
Total Members' Equity	<u>\$ 1,528,854</u>	<u>\$ 1,694,259</u>
 Total Liabilities and Members' Equity	 <u>\$ 1,696,355</u>	 <u>\$ 1,776,487</u>

See Accompanying Notes to Financial Statements

DUPONT EAST CONDOMINIUM ASSOCIATION
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>INCOME:</u>		
Condominium Fees	\$ 1,317,012	\$ 1,317,012
Interest	9,828	3,070
Laundry	28,269	27,871
Rental	25,200	20,083
Deferred Tax Benefit	-	4,975
Other	21,167	17,697
Total Income	<u>\$ 1,401,476</u>	<u>\$ 1,390,708</u>
<u>EXPENSES:</u>		
Legal, Audit and Tax Preparation	\$ 8,019	\$ 5,735
Engineering Consultant	9,600	12,541
Insurance	39,083	37,346
Management	80,620	80,424
Condominium Fees	14,328	14,328
Administrative	20,454	23,180
Payroll and Related Costs	460,310	433,311
Utilities	283,748	272,674
Plumbing	9,013	6,652
Electrical/HVAC	19,102	13,550
Service Agreements	50,744	44,967
Repairs and Maintenance	51,448	50,894
Depreciation	3,238	3,238
Real Estate Taxes	5,603	5,126
Deferred Taxes	2,708	-
Income Taxes	2,000	864
Total Expenses	<u>\$ 1,060,018</u>	<u>\$ 1,004,830</u>
Net Income before Contribution to Reserves	\$ 341,458	\$ 385,878
Contribution to Reserves	<u>(277,317)</u>	<u>(265,570)</u>
Net Income	<u>\$ 64,141</u>	<u>\$ 120,308</u>

See Accompanying Notes to Financial Statements

DUPONT EAST CONDOMINIUM ASSOCIATION
STATEMENTS OF MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>Replacement Reserves</u>	<u>Unappropriated Members' Equity</u>	<u>Total Members' Equity</u>
Balance as of December 31, 2012	\$ 835,191	\$ 516,389	\$ 1,351,580
Additions:			
Contribution to Reserves	265,570		265,570
Energy Efficiency Rebate	6,250		6,250
Insurance Claim Proceeds	3,578		3,578
Net Income		120,308	120,308
Inter-Equity Transfer	248,116	(248,116)	
Deductions:			
Chiller	(8,295)		(8,295)
Deck	(21,000)		(21,000)
Flooring	(4,524)		(4,524)
Plumbing	(9,125)		(9,125)
Reserve Study	(10,083)		(10,083)
Balance as of December 31, 2013	\$ 1,305,678	\$ 388,581	\$ 1,694,259
Additions:			
Contribution to Reserves	277,317		277,317
Net Income		64,141	64,141
Inter-Equity Transfer	121,362	(121,362)	
Deductions:			
Building Repairs	(18,156)		(18,156)
Electrical	(22,982)		(22,982)
Landscaping	(43,297)		(43,297)
Parking Garage/Lot Restoration	(422,428)		(422,428)
Balance as of December 31, 2014	<u>\$ 1,197,494</u>	<u>\$ 331,360</u>	<u>\$ 1,528,854</u>

See Accompanying Notes to Financial Statements

DUPONT EAST CONDOMINIUM ASSOCIATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Net Income	\$ 64,141	\$ 120,308
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	3,238	3,238
Deferred Tax Expense (Benefit)	2,708	(4,975)
Decrease (Increase) in:		
Assessments Receivable	(4,738)	2,382
Accrued Interest	(2,204)	165
Income Taxes Receivable	4,121	(152)
Accounts Receivable - Other	(1,941)	1,409
Prepaid Insurance	(677)	14,472
Prepaid Expenses	-	1,302
Increase (Decrease) in:		
Accounts Payable	(16,979)	16,120
Prepaid Assessments	2,136	1,527
Security Deposit	-	100
Net Cash Flows from Operating Activities	<u>\$ 49,805</u>	<u>\$ 155,896</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Received from Assessments (Reserves)	\$ 267,750	\$ 262,500
Received from Interest (Reserves)	9,567	3,070
Received from Rebate (Reserves)	-	6,250
Received from Insurance Claim (Reserves)	-	3,578
Disbursed for Reserve Expenditures	(406,747)	(42,532)
Received from Interest-Bearing Deposits	100,138	-
Disbursed for Interest-Bearing Deposits	(578,355)	(650,789)
Net Cash Flows from Investing Activities	<u>\$ (607,647)</u>	<u>\$ (417,923)</u>
Net Change in Cash and Cash Equivalents	\$ (557,842)	\$ (262,027)
Cash and Cash Equivalents at Beginning of Year	<u>871,488</u>	<u>1,133,515</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 313,646</u></u>	<u><u>\$ 871,488</u></u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</u>		
Cash Paid for Income Taxes	<u>\$ 800</u>	<u>\$ 1,000</u>

See Accompanying Notes to Financial Statements

DUPONT EAST CONDOMINIUM ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 - NATURE OF OPERATIONS:

The Condominium is an association incorporated under the laws of the District of Columbia in order to maintain and preserve the common property. The Association is located in Washington, D.C. and consists of 195 units. The Board of Directors administers the operations of the condominium.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

A) Method of Accounting - The financial statements are presented on the accrual method of accounting in which revenues are recognized when earned and expenses when incurred, not necessarily when received or paid.

B) Member Assessments - Association members are subject to assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Assessments receivable at the balance sheet date represent fees due from unit owners. The Association's policy is to assess late and interest charges and to retain legal counsel and place liens on the properties of owners whose assessments are delinquent. Any excess assessments at year-end are retained by the Association for use in future years. The Association utilizes the allowance method of accounting for bad debt.

C) Depreciation - Fixed assets are carried at cost. Depreciation is computed on the two condominium units and laundry equipment on a straight-line basis over the estimated useful lives.

D) Common Property - Real property and common areas acquired from the declarant and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual owners in common and not by the Association. Common property includes, but is not limited to the exterior structures and mechanical equipment.

E) Estimates - The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions. Such estimates affect the reported amounts of assets and liabilities. They also affect the disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

F) Cash Equivalents - For purposes of the statement of cash flows, the Association considers all highly liquid interest-bearing deposits and investments with an original maturity date of three months or less to be cash equivalents.

DUPONT EAST CONDOMINIUM ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(CONTINUED)

NOTE 3 - REPLACEMENT RESERVES:

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds are generally not available for expenditures for normal operations.

The Association had a replacement reserve study conducted by The Falcon Group during 2012. The table included in the Supplementary Information on Future Major Repairs and Replacements is based on this study.

The study recommends a contribution of \$213,173 for 2014. For 2014, the Association budgeted to contribute \$267,750 to reserves. In addition, the Association transferred \$121,362 from unappropriated members' equity and contributed \$9,567 from interest to reserves during 2014.

Funds are being accumulated in replacement reserves based on estimates of future needs for repair and replacement of common property components. The Association uses the five percent threshold fund projection for annual contributions. Actual expenditures may vary from the estimated future expenditures and the variations may be material; therefore, amounts accumulated in the replacement reserves may or may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Board of Directors, on behalf of the Association may increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

As of December 31, 2014 and 2013, the Association had designated \$1,197,494 and \$1,305,678, respectively, for replacement reserves. These designated reserves were funded by cash and interest-bearing deposits.

NOTE 4 - INCOME TAXES:

For income tax purposes, the Association may elect annually to file either as an exempt condominium association or as an association taxable as a corporation. As an exempt condominium association, the Association's net assessment income would be exempt from income tax, but its interest income would be taxed. Electing to file as a corporation, the Association is taxed on its net income from all sources (to the extent not capitalized or deferred) at normal corporate rates after corporate exemption, subject to the limitation that operating expenses are deductible only to the extent of income from members. For 2014 and 2013, the Association's income taxes were calculated using the corporate method.

DUPONT EAST CONDOMINIUM ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(CONTINUED)

NOTE 4 - INCOME TAXES: (CONTINUED)

The Association's policy is to recognize any tax penalties and interest as an expense when incurred. For the years ended December 31, 2014 and 2013, the Association did not incur any penalties and interest related to income taxes. The Association's federal and state tax returns for the past three years remain subject to examination by the Internal Revenue Service and the District of Columbia.

In accordance with accounting standards, a deferred tax asset has been recorded in the financial statements. Deferred assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Association had deferred tax assets of \$12,848 and \$15,556 as of December 31, 2014 and 2013, respectively. The deferred tax asset is related to the healthcare income tax credit established by the IRS. The deferred tax asset represents healthcare income tax credits that can be carried forward for federal income taxes only. The healthcare income tax credits carried forward and expiration dates are as follows:

<u>Expiration Date</u>	<u>Healthcare Tax Credit</u>
2032	\$ 6,666
2033	<u>6,182</u>
Total	<u>\$ 12,848</u>

NOTE 5 - FIXED ASSETS - NET:

Fixed assets are carried at cost. Depreciation is computed on the two condominium units and laundry equipment on a straight-line basis over the estimated useful life of thirty and seven years, respectively.

	<u>2014</u>	<u>2013</u>
Condominium Units	\$ 124,517	\$ 124,517
Laundry Equipment	22,665	22,665
Less: Accumulated Depreciation	<u>(134,230)</u>	<u>(130,992)</u>
Fixed Assets - Net	<u>\$ 12,952</u>	<u>\$ 16,190</u>

DUPONT EAST CONDOMINIUM ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(CONTINUED)

NOTE 6 - CASH AND INTEREST-BEARING DEPOSITS:

As of December 31, 2014, the Association maintained its funds in the following manner:

<u>Institution</u>	<u>Type Account</u>	<u>Cash and Cash Equivalents</u>	<u>Interest-Bearing Deposits</u>	<u>Total</u>
Alliance	Checking	\$ 55,579	\$ -	\$ 55,579
Alliance	Money Market	41,001		41,001
Wells Fargo	Money Market	126,995		126,995
SunTrust	Money Market	6,292		6,292
Wells Fargo Securities	Money Fund	83,779		83,779
SunTrust	Certificates of Deposit (2)		207,291	207,291
Congressional	Certificate of Deposit		101,671	101,671
Burke & Herbert	Certificate of Deposit		226,035	226,035
Capital One	Certificate of Deposit		225,000	225,000
Western Alliance	CDARs		574,000	574,000
	Totals	<u>\$ 313,646</u>	<u>\$ 1,333,997</u>	<u>\$ 1,647,643</u>

The Association has funds maintained in a Wells Fargo Securities, LLC money market fund. Although the value per share of these accounts has not changed since they were opened and their goal is to maintain a share value of \$1, these accounts are subject to market fluctuation risk. Therefore, the market fluctuation risk as of December 31, 2014 and 2013 was \$83,779 and \$83,774, respectively.

Balances at banks are insured by the FDIC for up to \$250,000 per financial institution. Amounts in excess of the insured limits were approximately \$0 and \$131,604 as of December 31, 2014 and 2013, respectively.

NOTE 7 - SECURITY DEPOSIT:

The Association rents one of the owned condominium units. A security deposit of \$2,100 was maintained as of December 31, 2014 and 2013.

NOTE 8 - SUBSEQUENT EVENTS:

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through April 22, 2015, the date the financial statements were available to be issued.

DUPONT EAST CONDOMINIUM ASSOCIATION
SUPPLEMENTARY INFORMATION ON FUTURE
MAJOR REPAIRS AND REPLACEMENTS
DECEMBER 31, 2014
(UNAUDITED)

The Association had a replacement reserve study conducted by The Falcon Group during 2012 to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. The estimated replacement costs presented below do not take into account the effects of inflation between the date of the study and the date the components will require repair or replacement; however, the Association's replacement reserve study does take inflation into consideration when evaluating future expenditures and recommended contributions to reserves.

The following has been extracted from the Association's replacement reserve study and presents significant information about the components of common property.

<u>Component</u>	<u>2012 Estimated Remaining Useful Life (Years)</u>	<u>2012 Estimated Replacement Cost</u>
Electrical	1-8	\$ 101,000
Elevator	10-16	235,000
Exterior	2-35	1,681,250
Fire Safety	25-49	41,837
Interior	3-18	353,884
Laundry	0-12	33,000
Mechanical	0-18	987,000
Plumbing	0-45	816,590
Refuse	3	25,000
Roof	1-15	420,883

CONDOMINIUM BOOK 22 Page 12

SHEET 1 OF 12

PLAT AND PLANS OF CONDOMINIUM SUBDIVISION

DUPONT EAST CONDOMINIUM

195 CONDOMINIUM APARTMENT UNITS AND 49 CONDOMINIUM PARKING UNITS

1545 18TH STREET, N.Y.

LOT 360 - SQUARE 156

IN ACCORDANCE WITH THE CONDOMINIUM ACT OF 1976, D.C. LAW 1-83, THE UNDERSIGNED, OWNER OF LOT 360 IN SQUARE 156, AS PER PLAT RECORDED IN SUBDIVISION BOOK 163 AT PAGE 181 AMONG THE RECORDS OF THE OFFICE OF THE SURVEYOR OF THE DISTRICT OF COLUMBIA, HEREBY SUBDIVIDES THE BUILDING AND THE LAND SHOWN HEREON INTO 195 CONDOMINIUM APARTMENT UNITS AND 49 CONDOMINIUM PARKING UNITS WITH CERTAIN GENERAL AND LIMITED COMMON ELEMENTS AS MORE FULLY SET FORTH IN THE DECLARATION AND BY-LAWS OF THE PROJECT RECORDED IN THE OFFICE OF THE RECORDS OF DEEDS OF THE DISTRICT OF COLUMBIA AS INSTRUMENT NUMBER 3002, AND INSTRUMENT NUMBER _____, RESPECTIVELY, ON FEBRUARY 1, 1979.

THE UNDERSIGNED OWNER FURTHER REQUESTS THAT THE CONDOMINIUM PROJECT AS SHOWN ON THE ATTACHED PLAT AND PLANS, CONSISTING OF 12 SHEETS, BE ACCEPTED FOR REGISTRATION IN THE OFFICE OF THE SURVEYOR OF THE DISTRICT OF COLUMBIA.

THE UNDERSIGNED OWNER, BEING FIRST DULY SWORN, HEREBY CERTIFIES, DEPOSES, AND SAYS THAT THE DUPONT, INC., A DELAWARE CORPORATION, IS THE OWNER IN FEE SIMPLE OF THE ABOVE-MENTIONED PROPERTY INCLUDING IMPROVEMENTS; THAT NO OTHER PERSON OR PERSONS OTHER THAN THE UNDERSIGNED HAVE ANY INTEREST OR CLAIM THEREIN, EXCEPT FOR AN EXISTING TRUST; THAT THE UNDERSIGNED OWNER IS IN PEACEFUL OCCUPATION THEREOF; THAT THERE ARE NO PENDING SUITS OR ACTIONS AFFECTING THE TITLE TO SAID PROPERTY INCLUDING THE IMPROVEMENTS; THAT THERE IS ONE EXISTING DEED OF TRUST ON SAID PROPERTY; AND THAT THE USE OF THE INDIVIDUAL UNITS CONFORMS TO THE APPLICABLE LAWS AND REGULATIONS OF THE DISTRICT OF COLUMBIA.

WITNESS OUR HANDS AND SEALS THIS 6th DAY OF February, 1979.

OWNER:

THE DUPONT, INC.
A DELAWARE CORPORATION

BY: Robert N. Schwart, Pres.
PATRICK N.G. SCHWARTZ, PRESIDENT.

ATTEST: Marvin J. Finkel
MARVIN J. FINKEL, SECRETARY.

SUBSCRIBED AND SWORN BEFORE ME
THIS 6th DAY OF February, 1979

William J. Jones
NOTARY PUBLIC
(His commission expires Jan. 31, 1982)

REGISTERED ENGINEER'S CERTIFICATION

I HEREBY CERTIFY THAT THESE PLATS AND PLANS ARE CORRECT; THAT THEY REPRESENT A FIELD SURVEY MADE UNDER MY DIRECTION; THAT ALL OF THE UNITS HAVE BEEN SUBSTANTIALLY COMPLETED; AND THAT THE INFORMATION SHOWN HEREIN IS IN CONFORMANCE WITH THE RECORDS OF THE OFFICE OF THE SURVEYOR OF THE DISTRICT OF COLUMBIA AND CONFORMS WITH THE REQUIREMENTS OF THE CONDOMINIUM ACT OF 1976, D.C. LAW 1-83.

DECEMBER 13, 1978

DATE

James Douglas Kelly
JAMES DOUGLAS KELLY
PROFESSIONAL ENGINEER No. 3903 - CIVIL



DEPARTMENT OF FINANCE AND REVENUE
FEBRUARY 7, 1979

OWNERSHIP CORRECT ACCORDING TO RECORDS OF THIS OFFICE 2-7-79 CW
GENERAL TAXES PAID TO 6-30-79 CW
NO UNPAID TAXES 2-7-79 CW
NO OUTSTANDING SPECIAL ASSESSMENTS 2-7-79 TC

McBride
ASSISTANT DIRECTOR, ASSESSMENT ADMINISTRATION

DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT
FEB. 7, 1979

I CERTIFY THAT THIS CONDOMINIUM SUBDIVISION
CONFORMS WITH THE ZONING REGULATIONS OF THE
DISTRICT OF COLUMBIA.

ZONING: 3-P-2 John J. Kelly, Jr.

James J. Kelly
CHIEF, ZONING REGULATIONS DIVISION

OFFICE OF THE SURVEYOR, D.C.

February 9, 1979

THESE PLATS ARE ACCEPTED FOR REGISTRATION IN ACCORDANCE
WITH THE CONDOMINIUM ACT OF 1976, D.C. LAW 1-83

St. Paul
Acting Surveyor, D.C.

RECORDED AT 3:15 PM FEBRUARY 9, 1979
RECORDED IN CONDOMINIUM BOOK 22 PAGE 12
SURVEY RECORDED IN ANNEX PLATS 1 TO 12

BENCH MARK

TOP NORTHWEST CORNER OF
FIRST MARBLE STEP, AT FRONT
OF "1900" STREET, N.Y.

ELEV: 93.15

SEE MAP OF DISTRICT OF COLUMBIA
DEPARTMENT OF TRANSPORTATION

SURVEY AND PLATS BY

Ch. Norton Thomas Schaefer, Inc.
REGISTERED PROFESSIONAL ENGINEERS AND SURVEYORS
1850 TOWERS PARKWAY, ROCKVILLE, MARYLAND 20850
TELEPHONE (301) 251-1545
A.M.T. FILE NO: H-78-9283

CONDOMINIUM BOOK 22 PAGE 12

SHEET 2 OF 12

PLAT OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

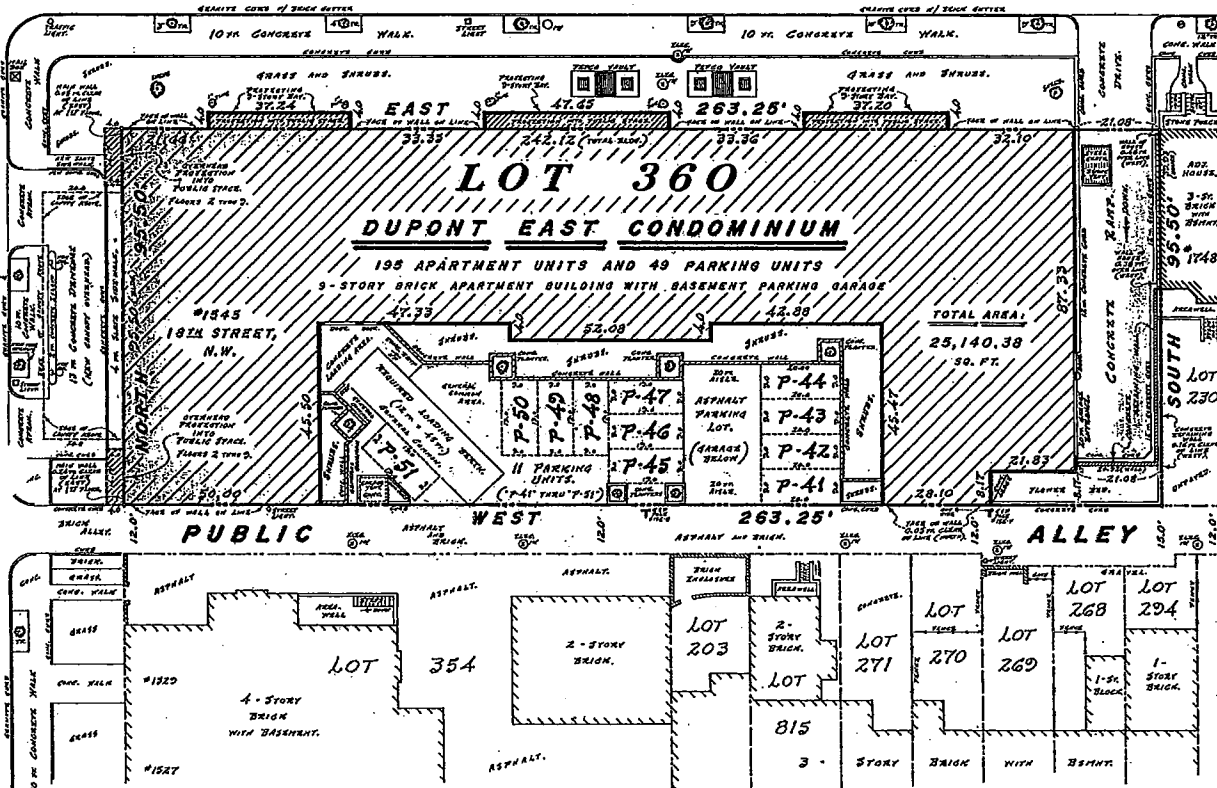
DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.W.

"Q" STREET, N.W.
(90 FT. R/W)
31 YR. ASPHALT PAVEMENT.

TO
17TH STREET
N.W.

SCALE: 1" = 20'

18TH STREET, N.W. (90 FT. R/W)



NOTES:

1. TOTAL AREA INCLUDED WITHIN THIS CONDOMINIUM:
25,140.38 SQ. FT. OR 0.57714 ACRES.
2. PROPERTY SHOWN ALONG THE RECORDS OF THE
D.C. SURVEYOR'S OFFICE AS FOLLOWS:
SUBDIVISION BOOK 162 - PAGE 181
SURVEY BOOK 176 - PAGE 378
ASSESSMENT AND TAXATION PLAN 3462-N
SEE ALSO: BRIST VOL. 1 - PLATS 13
3. PROJECTIONS INTO PUBLIC SPACE, SUCH AS SHOWN HEREON,
ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT
OF COLUMBIA: SEE TITLE 34-1, ARTICLE 3, SECTION 310,
AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
4. ALL BUILDING DIMENSIONS SHOWN HEREON WERE
MEASURED TO THE MAIN BRICK FACE OF WALLS.

LEGEND:

PROPERTY
OUTLINE
SHOWN
SHADOWED



BUILDING
OUTLINE
SHOWN
CROSS-HATCHED



PROPERTY
LINES
SHOWN
THIN



SURVEY AND PLATS BY:

A. Morton Thomas & Son, Inc.
REGISTERED PROFESSIONAL ENGINEERS AND SURVEYORS
1750 THIRDUARD PARKWAY, WASHINGTON, D.C. 20032
TELEPHONE: (202) 881-2545

SCALE: 1" = 20'

AMT. PLAN No. H-78-9283

CONDOMINIUM BOOK 22 PAGE 12

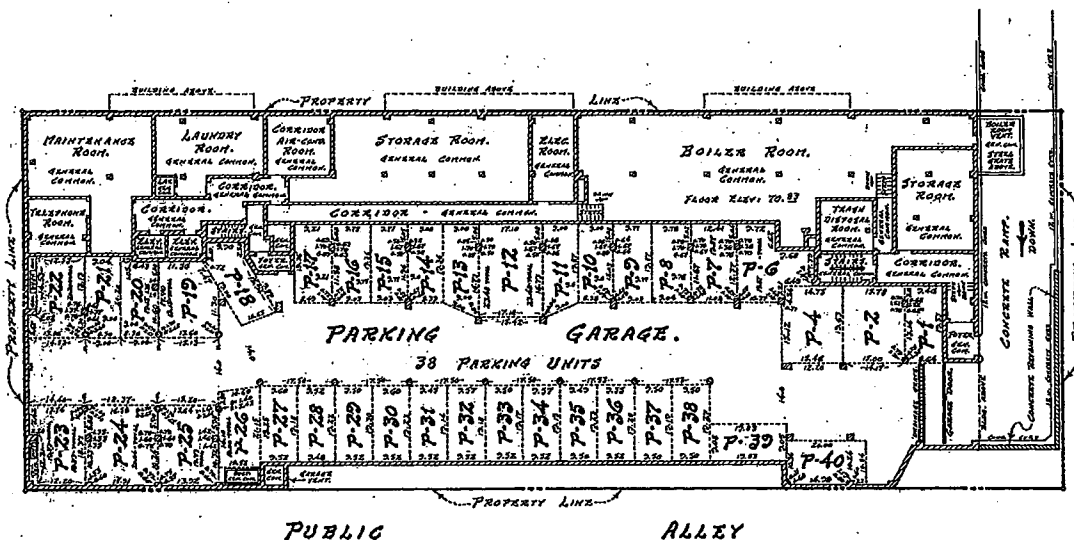
SHEET 3 OF 12

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.W.

"Q" STREET, N.W.

18TH STREET,
N.W.



GARAGE LEVEL

FLOOR ELEVATION: 74.86

CEILING ELEVATION: 82.30

SURVEY AND PLATS BY:
A. Morton Thomas & Assoc., Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
17750 THUNDERBOLT PARKWAY, ROCKVILLE, MARYLAND 20850
TELEPHONE: (301) 881-2245
SCALE: 1" = 20' AS PER PLAN NO. N-78-9283

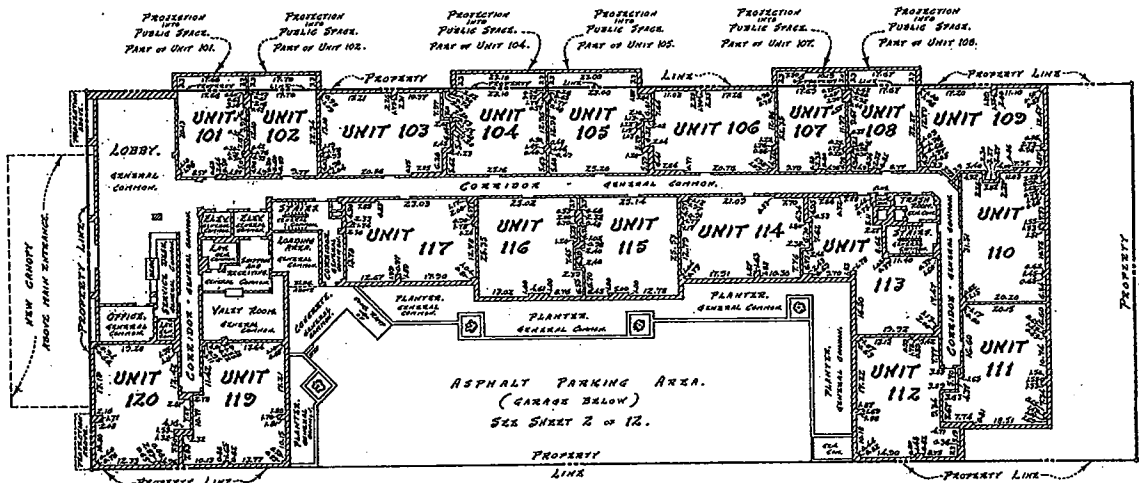
CONDOMINIUM BOOK 22 PAGE 12
SHEET 4 OF 12

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.W.

"Q" STREET, N.W.

15 STREET, N.W.



PUBLIC ALLEY

1ST FLOOR

NOTES:

1. PROJECTIONS INTO PUBLIC SPACE, SUCH AS SHOWN HEREON, ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT OF COLUMBIA. SEE TITLE 5A-1, ARTICLE 3, SECTION 311.0, AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
2. ALL UNIT DIMENSIONS SHOWN HEREON WERE MEASURED TO THE INTERIOR FINISHED SURFACES OF WALLS, FLOORS, AND CEILINGS.

FLOOR ELEVATION: 85.74
CEILING ELEVATION: 93.78

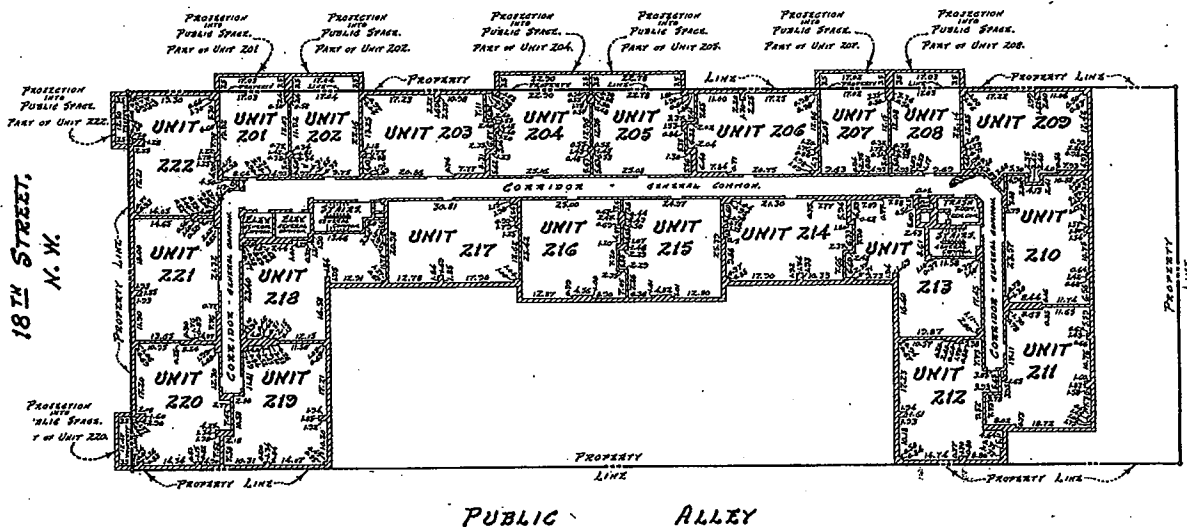
SURVEY AND PLATS BY:
A. Morton Thomas & Assoc., Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
11750 THUNDERBOLT PARKWAY, ROCKVILLE, MARYLAND 20852
TELEPHONE: (301) 881-2545
SCALE: 1/4" = 20'-0"
A.M.T. FILE NO. H-78-2283

CONDOMINIUM BOOK 22 PAGE 12
SHEET 5 OF 12

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.Y.

"Q" STREET, N.Y.



2ND FLOOR

FLOOR ELEVATION: 94.40
CEILING ELEVATION: 102.44

NOTES:

1. PROJECTIONS INTO PUBLIC SPACE, SUCH AS SHOWN HEREON, ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT OF COLUMBIA. SEE TITLE 24-1, ARTICLE 2, SECTION 210.4, AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
2. ALL UNIT DIMENSIONS SHOWN HEREON WERE MEASURED TO THE INTERIOR FINISHED SURFACES OF WALLS, FLOORS, AND CEILINGS.

SURVEY AND PLATS BY:
A. Morton Thomas & Son, Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
11750 THUNDERBOLT DRIVE, ROCKVILLE, MARYLAND 20852
TELEPHONE: (301) 881-2545
FAX: (301) 881-2545

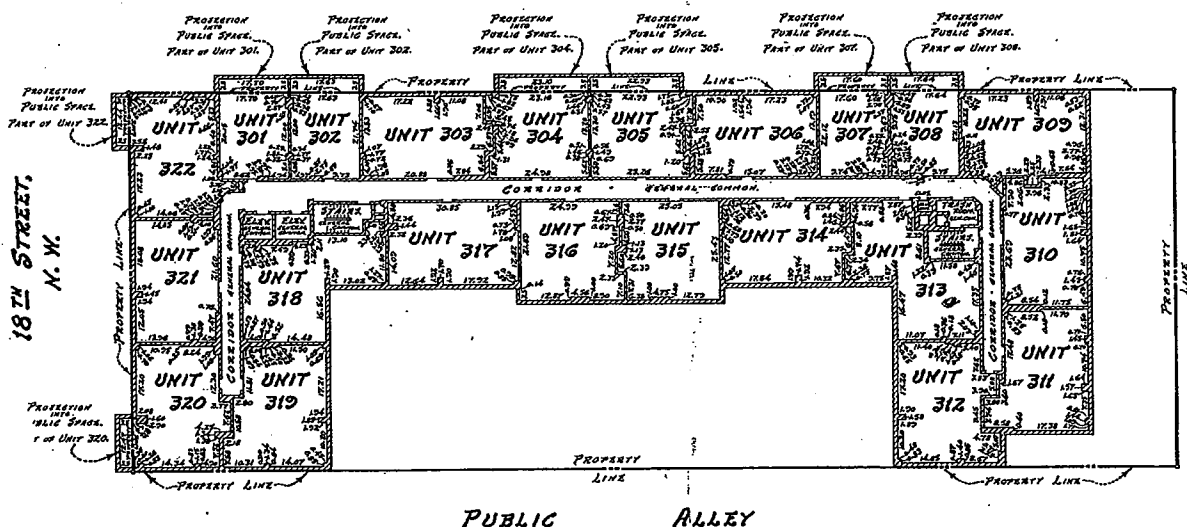
SCALE: 1" = 20' FT

A.P.C. PLAN NO. N-78-9283

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.Y.

"Q" STREET, N.Y.



3RD FLOOR

FLOOR ELEVATION: 103.05

CEILING ELEVATION: 111.10

NOTES:

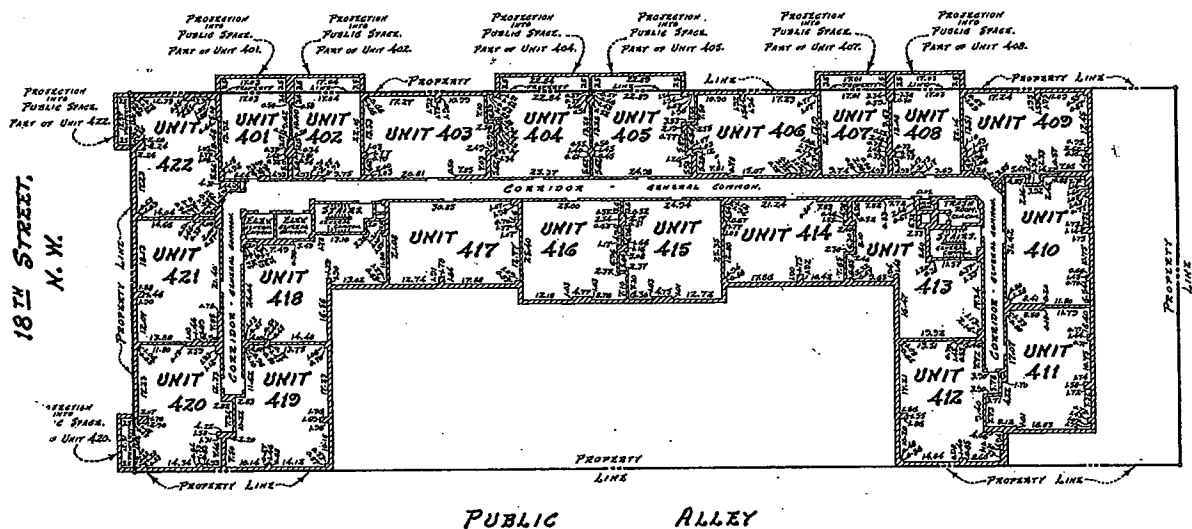
1. PROJECTIONS INTO PUBLIC SPACE, SUCH AS SHOWN HEREON, ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT OF COLUMBIA. SEE TITLE 5A-1, ARTICLE 3, SECTION 311.0, AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
2. ALL UNIT DIMENSIONS SHOWN HEREON WERE MEASURED TO THE INTERIOR FINISHED SURFACES OF WALLS, FLOORS, AND CEILINGS.

SURVEY AND PLATS BY:
A. Morton Thomas & Assoc., Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
12710 THOMPSON PARKWAY, FORTVALL, MONTGOMERY 20055
TELEPHONE: (301) 881-2545
SCALE: 1 IN. = 20 FT. A.I.T. FILE NO. H-70-9283

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.Y.

"Q" STREET, N.Y.



4TH FLOOR

FLOOR ELEVATION: 111.62
CEILING ELEVATION: 119.71

NOTES:

1. PROJECTIONS INTO PUBLIC SPACE, SUCH AS SHOWN HEREON, ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT OF COLUMBIA. SEE TITLE 5A-1, ARTICLE 3, SECTION 311.0, AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
2. ALL UNIT DIMENSIONS SHOWN HEREON WERE MEASURED TO THE INTERIOR FINISHED SURFACES OF WALLS, FLOORS, AND CEILINGS.

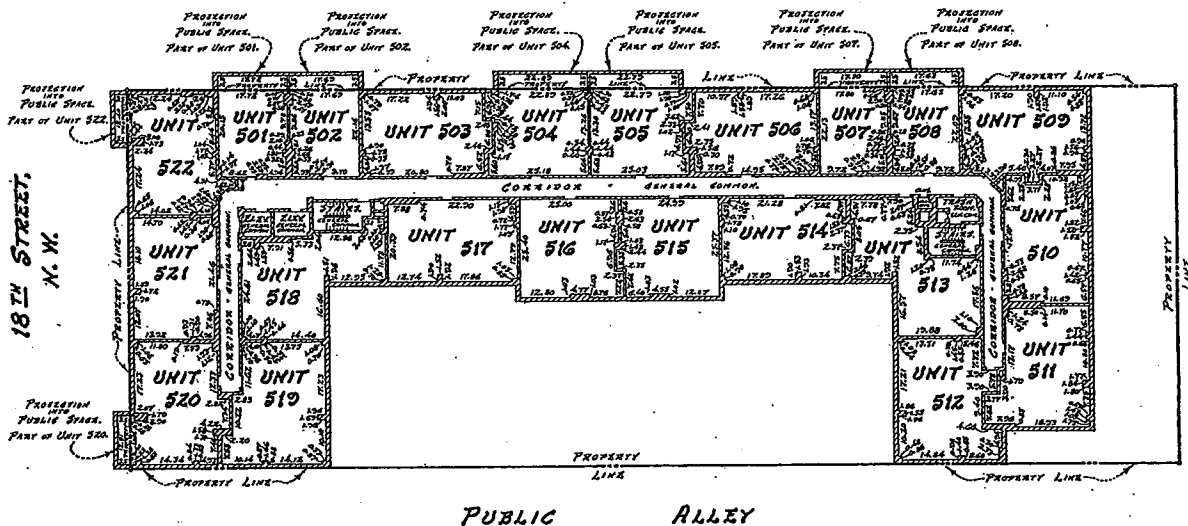
SURVEY AND PLATS BY:
A. Morton Thomas & Schaefer, Inc.
REGISTERED PROFESSIONAL SURVEYORS & LAND SURVEYORS
11750 THUNDERBOLT PARKWAY, ROCKVILLE, MARYLAND 20852
TELEPHONE: (301) 881-2545
SCALE: 1/4" = 20' F.T. PLAN No. H-78-2223

CONDOMINIUM BOOK 22 PAGE 12
SHEET 8 OF 12

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.Y.

"Q" STREET, N.Y.



5TH FLOOR

NOTES:

1. PROJECTIONS INTO PUBLIC SPACE, SUCH AS SHOWN HEREON, ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT OF COLUMBIA. SEE TYPE SA-1, ARTICLE 3, SECTION 311.0, AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
2. ALL UNIT DIMENSIONS SHOWN HEREON WERE MEASURED TO THE INTERIOR FINISHED SURFACES OF WALLS, FLOORS, AND CEILINGS.

FLOOR ELEVATION: 120.³⁷
CEILING ELEVATION: 128.⁴⁰

DRAWN AND PARTS BY:
A. Morton Thomas & Son, Inc.
REGISTERED PROFESSIONAL SURVEYORS & LAND SURVEYORS
12750 TIMBERLARK TURNPIKE, ROCKVILLE, MARYLAND 20852
TELEPHONE: (301) 581-2545
SCALE: 1" = 20' FT. A.P.T. 7048, M. N-78-9283

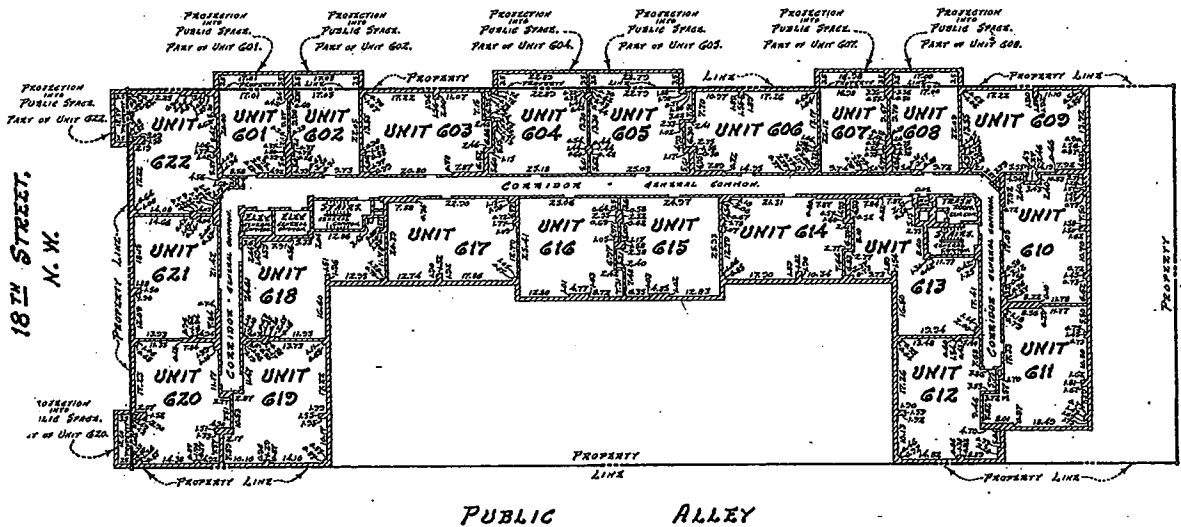
CONDOMINIUM BOOK 22 PAGE 12

SHEET 9 OF 12

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.W.

"Q" STREET, N.W.



6TH FLOOR

FLOOR ELEVATION: 129.03

CEILING ELEVATION: 137.03

NOTES:

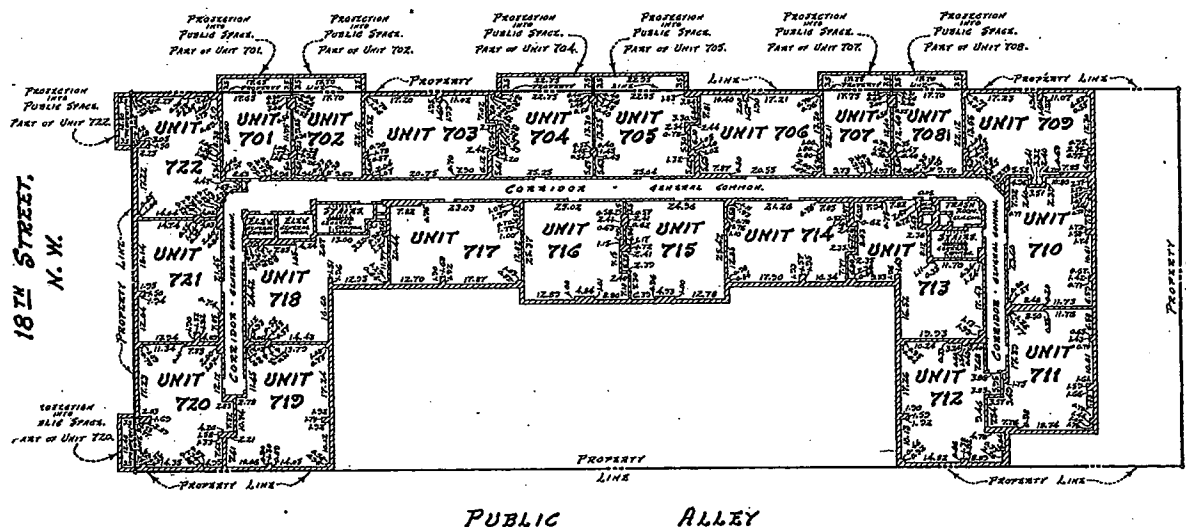
1. PROJECTIONS INTO PUBLIC SPACE, SUCH AS SHOWN HEREON, ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT OF COLUMBIA. SEE TITLE 5A-1, ARTICLE 3, SECTION 311.0, AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
2. ALL UNIT DIMENSIONS SHOWN HEREON WERE MEASURED TO THE INTERIOR FINISHED SURFACES OF WALLS, FLOORS, AND CEILINGS.

SURVEY AND PLATS BY:
A. Morton Thomas & Assoc., Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
12750 THUNDERBOLT DRIVE, NEWPORT, MONTGOMERY COUNTY, MARYLAND 20892
TELEPHONE: (301) 281-2545
FAX: (301) 281-2546
SHEET 1 OF 20
DATE: JULY 16, 1998

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.W.

"Q" STREET, N.W.



7TH FLOOR

FLOOR ELEVATION: 137.75
CEILING ELEVATION: 145.72

NOTES:

1. PROJECTIONS INTO PUBLIC SPACE, SUCH AS SHOWN HEREON, ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT OF COLUMBIA. SEE TITLE SA-1, ARTICLE 3, SECTION 311.0, AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
2. ALL UNIT DIMENSIONS SHOWN HEREON WERE MEASURED TO THE INTERIOR FINISHED SURFACES OF WALLS, FLOORS, AND CEILINGS.

SURVEY AND PLATS BY:

A. Morton Thomas & Assoc., Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
1810 THURSTONE PARKWAY, ROCKVILLE, MARYLAND 20852
TELEPHONE: (301) 881-2245

SCALE: 1" = 20' ±

P.L.T. PLAN No. H-79-9283

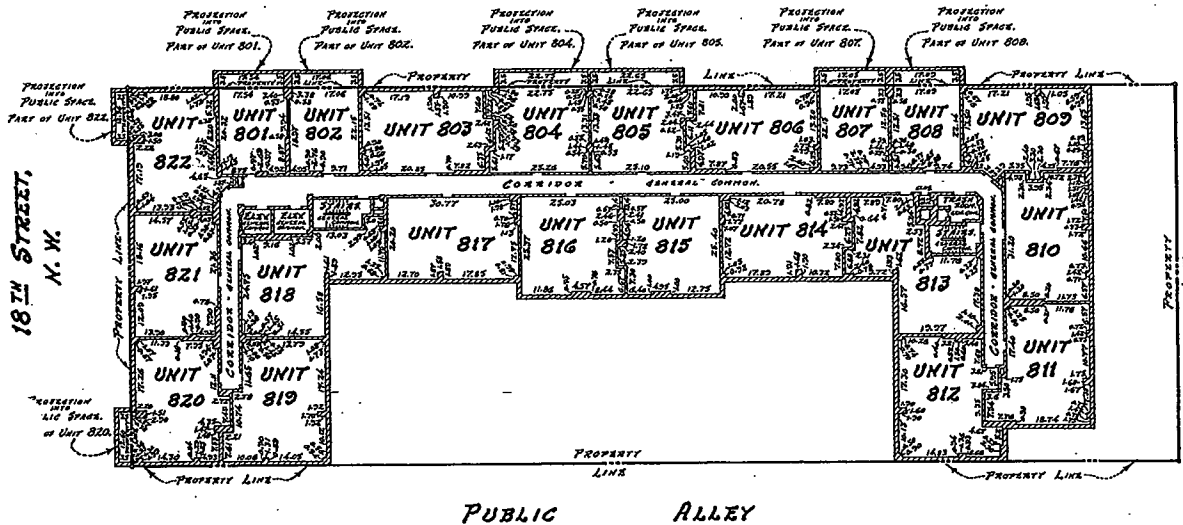
CONDOMINIUM BOOK 22 PAGE 12

SHEET 11 OF 12

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.W.

"Q" STREET, N.W.



8TH FLOOR

NOTES:

1. PROJECTIONS INTO PUBLIC SPACE, SUCH AS SHOWN HEREON, ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT OF COLUMBIA. SEE TITLE 5A-1, ARTICLE 3, SECTION 311.0, AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
2. ALL UNIT DIMENSIONS SHOWN HEREON WERE MEASURED TO THE INTERIOR FINISHED SURFACES OF WALLS, FLOORS, AND CEILING.

FLOOR ELEVATION: 146.42
CEILING ELEVATION: 154.45

SURVEY AND PLATS BY
A. Mortimer Thomas & Assoc., Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
12750 TOWNBROOK TERRACE, ROCKVILLE, MARYLAND 20852
TELEPHONE: (301) 881-2345
SCALE: 1" = 20' A.M.T. FILE NO. H-78-2283

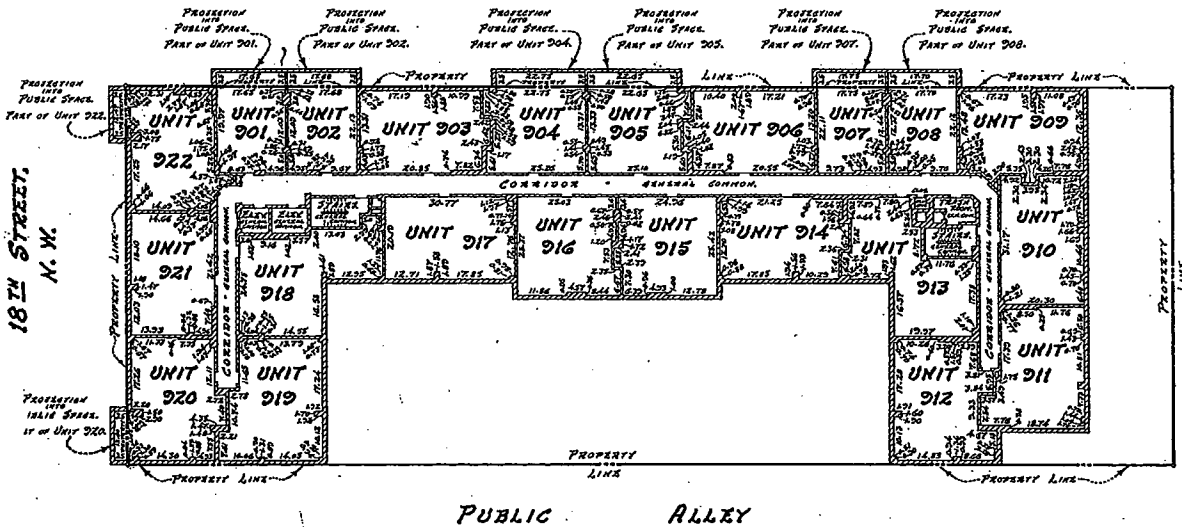
CONDOMINIUM BOOK 22 PAGE 12

SHEET 12 OF 12

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.W.

"Q" STREET, N.W.



9TH FLOOR

NOTES:

1. PROJECTIONS INTO PUBLIC SPACE, SUCH AS THOSE HEREON, ARE PERMITTED UNDER THE BUILDING CODE OF THE DISTRICT OF COLUMBIA. SEE TITLE 24-11, ARTICLE 3, SECTION 311.0, AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
2. ALL UNIT DIMENSIONS SHOWN HEREON WERE MEASURED TO THE INTERIOR FINISHED SURFACES OF WALLS, FLOORS, AND CEILINGS.

FLOOR ELEVATION: 155.07
CEILING ELEVATION: 163.11

DESIGNED AND PLATS BY:
A. Morton Thomas & Schaefer, Inc.
REGISTERED PROFESSIONAL ARCHITECTS & LAND SURVEYORS
11710 THURGOOD PARKWAY, ROCKVILLE, MARYLAND 20852
TELEPHONE: (202) 881-1345
SCALE: 1/4" = 20' FT. A.M.T. FILE NO. H-79-9283

**Articles of Incorporation
Dupont East Condominium**

Articles of Incorporation

**ARTICLES OF INCORPORATION
OF
THE COUNCIL OF CO-OWNERS OF
DUPONT EAST CONDOMINIUM, INC.**

FILED

AUG 11 1993

(A non-profit corporation without capital stock)

TO: Department of Consumer and Regulatory Affairs
Business Regulation Administration
Corporations Division
614 H Street, N.W.
Washington, D.C. 20001

BY: 

We, the undersigned natural persons of the age of twenty-one (21) years or more, acting as incorporators of a corporation under the District of Columbia Non-Profit Corporation Act (D.C. Code, 1981 Edition, Title 29, Chapter 5, as amended), adopt the following Articles of Incorporation:

FIRST: The name of the Corporation is:

**THE COUNCIL OF CO-OWNERS OF DUPONT
EAST CONDOMINIUM, INC.**

SECOND: The period of duration is perpetual.

THIRD: This Corporation shall be the Council of Co-Owners of a condominium located in the District of Columbia, known and described as "DUPONT EAST CONDOMINIUM" and this Corporation shall hereinafter in these Articles of Incorporation be known and referred to as the "Council of Co-Owners". Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning as they are defined to have in the Declaration hereinafter described or in the Condominium Act of 1976 (D.C. Law 189), as from time to time amended or superseded; i.e., the Condominium Act.

FOURTH: The purposes for which the Corporation is organized are:

(a) to organize and operate a corporation, no part of the net earnings of which is to inure to the benefit of any member or other individual; and

(b) to provide for the maintenance, operation, care, upkeep and surveillance of the condominium and to provide other services for the benefit of the condominium and the unit owners in a manner consistent with the provisions of the Declaration, the Bylaws of the Council of Co-Owners and the Condominium Act; and

(c) to exercise all of the powers and privileges and to perform all of the duties and obligations of the Council of Co-Owners as set forth in a certain Declaration, and the Exhibits attached thereto, made by the Declarant named therein on February 6, 1979, and recorded on the 8th day of February, 1979, as Instrument No. 5062 among the Land Records of the Recorder of Deeds of the District of Columbia, as the same may from time to time be further

supplemented, amended or modified, the provisions hereof being incorporated in these Articles of Incorporation as if set forth herein at length; and

(d) in general, to carry on any other activities connected with or incidental to the foregoing objects and purposes, and to have and exercise all the powers conferred by the laws of the District of Columbia upon corporations formed under the District of Columbia Non-Profit Corporation Act.

FIFTH: The Council of Co-Owners shall be without capital stock and will not be operated for profit. Except as contemplated in the Condominium Act and except as provided in the Declaration and the Bylaws, the Council of Co-Owners does not contemplate the distribution of gains, profits or dividends to any of its members. Except as contemplated in the Condominium Act and except as provided in the Declaration and the Bylaws, the members of the Council of Co-Owners shall not be personally liable for the debts, liabilities or obligations of the Council of Co-Owners.

SIXTH: The authorized number of memberships in the Council of Co-Owners is 195, all of which shall be of one class. Every unit owner shall be a member of the Council of Co-Owners; *provided, however*, that any person who holds any legal or equitable interest in a condominium unit solely as security for the repayment of a debt or the performance of an obligations shall not be a member of the Council of Co-Owners by reason only of such interest.

The voting and other rights and privileges of membership, the liability of each member for assessment for common expenses of the condominium and the method of collection thereof shall be as set forth in the Declaration, the Bylaws of the Council of Co-Owners and the Condominium Act. All members shall have the right to vote.

The members of the Council of Co-Owners shall have no preemptive rights, as such members, to acquire any memberships of the Council of Co-Owners that may at any time be issued by the Council of Co-Owners except as may be specifically provided in these Articles of Incorporation. The Council of Co-Owners is not authorized to issue memberships in series.

SEVENTH: In the event any member sells, assigns or otherwise transfers of record the fee interest in any condominium unit in which he holds the interest required for membership, then the membership appertaining to such condominium unit shall terminate and, at the same time, the Council of Co-Owners shall issue a new membership to the transferee of the condominium unit. The foregoing requirements shall not obtain in the event a condominium unit is transferred as aforesaid solely as security for the repayment of a debt or the performance of an obligation.

EIGHTH: The initial registered office of the Corporation is:

1725 K Street, N.W., Suite 308
Washington, D.C. 20006

The following named person is the registered agent of this Corporation, and said resident agent is an individual actually residing in the District of Columbia:

Alfred S. Fried, Esquire
1725 K Street, N.W., Suite 308
Washington, D.C. 20006

NINTH: The number of Directors of the Council of Co-Owners shall be (5), and the names and post office addresses of the five (5) initial directors who shall act as such until the first annual meeting of members of the Council of Co-Owners, or until such time as their successors are duly chosen and qualified, are:

Name	Address
William Garrity	1545-18th Street, N.W., Unit 219 Washington, D.C. 20036
Thomas Cotter	1545-18th Street, N.W., Unit 716 Washington, D.C. 20036
Nancy Castell	1545-18th Street, N.W., Unit 210 Washington, D.C. 20036
Janina Jaruzelski	1545-18th Street, N.W., Unit 220 Washington, D.C. 20036
Mary Lynn Qurnell	1545-18th Street, N.W., Unit 205 Washington, D.C. 20036

The qualifications, powers, duties and tenure of the office of Director and the manner by which Directors are to be chosen, as well as other provisions relating to the regulation of the internal affairs of the Council of Co-Owners, shall be as prescribed and set forth in the Bylaws of the Council of Co-Owners as the same may be from time to time amended. Officers of the Council of Co-Owners shall be elected to serve as provided for in said Bylaws. Neither the Directors nor the officers of the Council of Co-Owners are required to be residents of the District of Columbia.

TENTH:

(a) The Council of Co-Owners shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Council of Co-Owners) by reason of the fact that he is or was a Director or officer of the Council of Co-Owners, or is or was serving at the request of the Council of Co-Owners as a Director, officer or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), fines, judgments and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Council of Co-Owners, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceedings by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Council of Co-Owners, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order or settlement shall not, of itself, create a presumption that the person did not act in good faith

and in a manner he reasonably believed to be in or not opposed to the best interests of the Council of Co-Owners.

(b) The Council of Co-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 or suit by or in the right of the Council of Co-Owners to procure a judgment in its favor by reason of the fact that he is or was a Director or officer of the Council of Co-Owners, or is or was serving at the request of the Council of Co-Owners as a Director, officer or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Council of Co-Owners and except that no such indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Council of Co-Owners unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(c) To the extent that a director or officer of the Council of Co-Owners has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in Subsections (a) and (b) of this Article, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(d) Any indemnification under Subsections (a) and (b) of this Article (unless ordered by a court) shall be made by the Council of Co-Owners only as authorized in the specific case upon the determination that indemnification of the Director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Subsections (a) and (b) of this Article. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by a vote of a majority of the then members of the Council of Co-Owners.

(e) Expenses (including attorneys' fees) incurred in defending an action, suit or proceeding, whether civil, criminal, administrative or investigative, may be paid by the Council of Co-Owners in advance of the final disposition of such action, suit or proceedings as authorized in the manner provided for in Subsection (b) of this Article upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Council of Co-Owners as authorized in this Article.

(f) The indemnification provided for in this Article shall be deemed exclusive of any other rights to which a person may be entitled under any provision of the Bylaws of the Council of Co-Owners or by reason of a vote of the unit owners or disinterested Directors of the Council of Co-Owners, or otherwise, both as to action in his official capacity and as to action in another capacity while holding the office and shall continue as to a person who has

ceased to be a Director or officer of the Council of Co-Owners and shall inure to the benefit of the heirs, executors, personal representatives and administrators of such person. The provisions of this Subsection shall not be construed to prohibit an arrangement by the Council of Co-Owners, acting through its Board of Directors otherwise, which extends the indemnification provided for in this Article to persons who are not Directors, officers, former Directors or former officers of the Council of Co-Owners. Any right to indemnification provided for herein shall not be exclusive to any other rights to which any Director, officer, former Director, former officer or other person may be entitled.

(g) In the event of dissolution or final liquidation of the Corporation, all of the remaining assets and property of the Corporation shall after paying or making provision for the payment of all of the liabilities and obligations of the Corporation, and for necessary expenses thereof, be distributed to such organization or organizations organized and operated exclusively for charitable or educational as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code as the Board of Directors shall determine. In no event shall any of such assets or property be distributed to any individual member, director, or officer, or any private individual; however, if an organization member qualifies as tax exempt under Section 501(c)(3) at the time of dissolution, this clause shall not bar it from receiving assets or property.

ELEVENTH: Except to the extent that any of them may also be unit owners in the condominium, the officers and Directors of the Council of Co-Owners shall have no personal liability as such officers and directors with respect to any contract or other commitment made by them, in good faith, on any contract or other commitment made by them, in good faith, on behalf of the Council of Co-Owners, and the Council of Co-Owners shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director of the Council of Co-Owners, or former officer or former Director of the Council of Co-Owners, may be entitled.

The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Council of Co-Owners and the condominium. No contract or other transaction between the Council of Co-Owners and one or more of its Directors, or between the Council of Co-Owners and any corporation, firm or association (including the Declarant), in which one or more of the Directors of the Council of Co-Owners are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are 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 of Directors or a majority thereof or noted in the minutes of the Board of Directors, and the Board of Directors authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) the fact of the common directorate or interest is disclosed or known to the unit owners, or a majority thereof, and they 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 Co-Owners at the time it is authorized, ratified, approved or executed.

Common or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested.

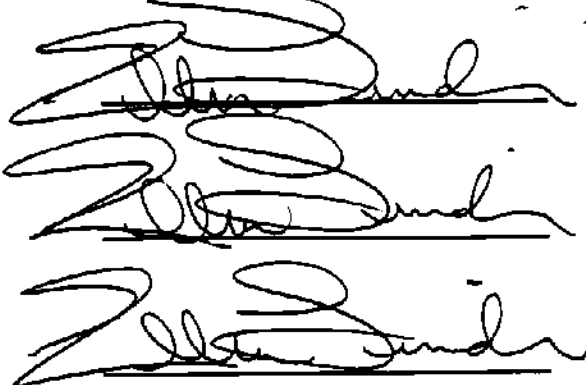
TWELFTH: Subject to the limitations set forth in the Condominium Act, the Declaration and the Bylaws, the Council of Co-Owners reserves the right to amend, alter or repeal any provision contained in these Articles in the manner now or hereafter prescribed by law for the amendment of Articles of Incorporation.


THIRTEENTH: The name and address, including street and number, of each of the incorporators named below is as follows:


Name	Address
William Garrity	1545-18th Street, N.W., Unit 219 Washington, D.C. 20036
Thomas Cotter	1545-18th Street, N.W., Unit 716 Washington, D.C. 20036
Nancy Castell	1545-18th Street, N.W., Unit 210 Washington, D.C. 20036

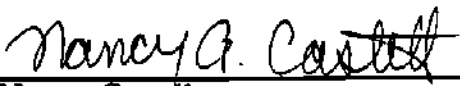
IN WITNESS WHEREOF, we have signed these Articles of Incorporation this 27 day of May, 1993.

Witness:



 (Seal)
William Garrity

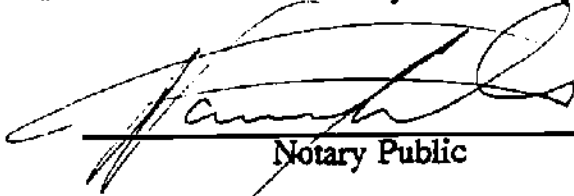
 (Seal)
Thomas Cotter

 (Seal)
Nancy Castell

DISTRICT OF COLUMBIA, ss:

BE IT REMEMBERED, that on this 28 day of May, 1993, personally appeared before me, a Notary Public in and for the jurisdiction aforesaid, WILLIAM GARRITY, THOMAS COTTER and NANCY CASTELL, the persons named as incorporators in the foregoing Articles of Incorporation, dated the 28 day of May, 1993, known personally to me as such, and I having first made known to them the contents of said Articles of Incorporation, did each acknowledge that they signed, sealed and delivered the same as their voluntary act and deed for the purposes therein contained and did further acknowledge the facts therein stated to be true as therein set forth.

GIVEN under my hand and Notarial Seal the year and day first above written.



Notary Public

(Notarial Seal)

My Commission Expires: June 1, 1997

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
BUSINESS REGULATION ADMINISTRATION



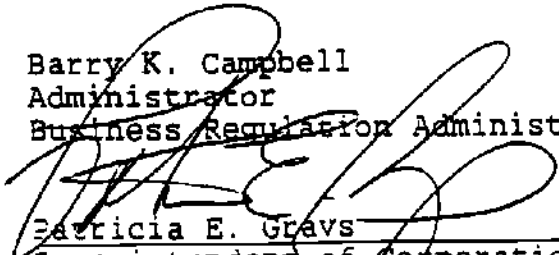
C E R T I F I C A T E

THIS IS TO CERTIFY that all applicable provisions of the DISTRICT
OF COLUMBIA NONPROFIT CORPORATION ACT have been complied with and
accordingly, this CERTIFICATE of INCORPORATION is hereby issued to
THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDOMINIUM, INC.

as of AUGUST 11TH , 1993 .

Larry King
Acting Director

Barry K. Campbell
Administrator
Business Regulation Administration


Patricia E. Grays
Assistant Superintendent of Corporations
Corporations Division

Sharon Pratt Kelly
Mayor

Budget
Dupont East Condominium



01/13/2016 11:23 AM Page: 1

CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
	INCOME													
	ASSESSMENTS													
51500	CONDOMINIUM FEES	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,042	113,041	1,356,503
59600	RENT INCOME	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
51530	PARKING (.00936)	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,069	12,817
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL ASSESSMENTS	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	116,110	1,393,320
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	OTHER INCOME													
59200	LATE FEES	83	83	83	83	83	83	83	83	83	83	83	87	1,000
59557	LAUNDRY INCOME	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
59900	MISCELLANEOUS INCOME	708	708	708	708	708	708	708	708	708	708	708	712	8,500
59510	MOVE-IN FEES	750	750	750	750	750	750	750	750	750	750	750	750	9,000
59450	REPAIR & MAINTENANCE	42	42	42	42	42	42	42	42	42	42	42	38	500
59100	VENDING MACHINE INCO	21	21	21	21	21	21	21	21	21	21	21	19	250
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL OTHER INCOME	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,104	4,106	49,250
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL REVENUE	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,214	120,216	1,442,570
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	EXPENSES													
	ADMINISTRATIVE													
63370	EDUCATION & TRAINING	333	333	333	333	333	333	333	333	333	333	333	337	4,000
63110	OFFICE SUPPLIES	250	250	250	250	250	250	250	250	250	250	250	250	3,000
63900	ADMIN MISCELLANEOUS	500	500	500	500	500	500	500	500	500	500	500	500	6,000
63500	AUDITOR	463	463	463	463	463	463	463	463	463	463	463	457	5,550
63410	ENGINEERING CONSULTA	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
63400	LEGAL	417	417	417	417	417	417	417	417	417	417	417	413	5,000
63200	MANAGEMENT FEES	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,083	6,087	73,000
63201	MGMT FEE (NON-CONTRA	382	382	382	382	382	382	382	382	382	382	382	378	4,580
67200	INSURANCE	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,520	3,515	42,235
67205	INSURANCE LOSSES	833	833	833	833	833	833	833	833	833	833	833	837	10,000
63311	CONDOMINIUM FEES	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,262	15,100
63523	ANNUAL MEETING	121	121	121	121	121	121	121	121	121	121	121	119	1,450
63554	WEB SITE	208	208	208	208	208	208	208	208	208	208	208	212	2,500
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL ADMINISTRATIVE	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,368	15,367	184,415

1545 18TH STREET, N.W.
WASHINGTON DC 20036

7490 THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO
ANNUAL BUDGET FOR THE YEAR ENDING
12/31/2016

01/13/2016 11:23 AM Page: 2

CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

[illegible]

1545 18TH STREET, N.W.
WASHINGTON DC 20036

7490 THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO
ANNUAL BUDGET FOR THE YEAR ENDING
12/31/2016

01/13/2016 11:23 AM Page: 3

CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

[illegible]

Bylaws
Dupont East Condominium

Bylaws

A.) Amendment June 1, 1983

DUPONT EAST CONDOMINIUM

BYLAWS

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DUPONT EAST CONDOMINIUM

BYLAWS

ARTICLE I

Plan of Unit Ownership

Section 1. Recordation. The Property*, located in the District of Columbia at 1545-18th Street, N.W., and more particularly described in the Declaration, has been submitted to the provisions of the Condominium Act by recordation simultaneously herewith of the Declaration among the land records of the District of Columbia in Condominium Book _____ at Page _____.

Section 2. Compliance. Every Unit Owner and all those entitled to occupy a Unit shall comply with these Bylaws. The administration and management of the Condominium and the actions of the Unit Owners and the Unit Owners' Association and its Board of Directors and Officers shall be governed by the Bylaws. All present and future Unit Owners and their tenants, licensees, invitees, servants, agents, employees and any other person or persons that shall be permitted to use the Condominium shall be subject to the Bylaws and to the Rules and Regulations of the Association. Acquisition, rental or occupancy of any Unit shall be conclusively deemed to mean that the Unit Owner, tenant or occupant has accepted and ratified the Bylaws and the Rules and Regulations of the Association and will comply with them.

Section 3. Office. The office of the Condominium, the Unit Owners' Association, 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.

Section 4. Title to Units. Title to a Unit may be taken in the name of one or more persons in any manner permitted by law.

ARTICLE II

Unit Owners' Association

Section 1. Composition. All of the Unit Owners, acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute the Unit Owners' Association. For all purposes the Unit Owners' Association shall act merely as an agent for the Unit Owners as a group. Any Unit Owner, upon acquiring title to his Unit, shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such Unit ceases for any reason, at which time his membership in the Association shall automatically cease; provided, however, that any person who holds any interest in a Unit solely as security for the performance of an obligation shall not be a member of the Association.

Section 2. Responsibilities. The Unit Owners' Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the contributions

* Capitalized 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 102 of the District of Columbia Condominium Act.

to the Common Expenses, 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 Unit Owners' Association, by the Condominium Act and the Declaration. Except as to those matters which the Condominium Act specifically requires to be performed by the vote of the Unit Owners' Association, the foregoing responsibilities shall be performed by the Board of Directors or Managing Agent as more particularly set forth in Article III of these Bylaws.

Section 3. Initial Operation of the Condominium.

(a) Subject to the provisions of subsection (b) of this Section 3, the Declarant, or a Managing Agent, or some other person or persons selected by the Declarant may appoint and remove all of the members of the Board of Directors or exercise powers and responsibilities otherwise assigned by the Condominium Instruments and by the Condominium Act to the Unit Owners' Association, its officers or the Board of Directors. The Declarant's power as provided herein shall not continue beyond a period of two (2) years from the settlement of the first Unit sold by the Declarant, or after three-fourths of the undivided interests in the Common Elements have been conveyed, whichever occurs first.

(b) Notwithstanding subsection (a) of this Section 3, not later than the time that Units to which twenty-five percent (25%) of the undivided interests in the Common Elements appertain have been conveyed, the Unit Owners' Association shall cause a special meeting to be held at which two members of the Board of Directors shall be selected by Unit Owners other than Declarant. If one or more of the persons so selected are not incumbent Board members, the Declarant shall remove incumbent members of the Board who were selected pursuant to subsection (a) of this Section who shall be replaced by the persons selected by the Unit Owners other than the Declarant.

Section 4. First Annual Meeting. Promptly after deeds of conveyance representing more than three-fourths of the interest in the Common Elements have been conveyed or after the passage of two years from the settlement of the first Unit sold by the Declarant, whichever occurs first, the Declarant shall so notify the Unit Owners and the first annual meeting of the Unit Owners' Association shall be called within ninety (90) days thereafter. At that meeting, all of the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall elect a new Board of Directors for the terms set forth in Section 4 of Article III of these Bylaws and conduct such other business as may be appropriate for an annual meeting of the Unit Owners' Association.

Section 5. Annual Meetings. Following the first annual meeting of the Unit Owners' Association, subsequent Annual Meetings shall be held on the first day of June of each succeeding year. In the event such day shall occur on a Saturday, Sunday or a holiday, the meeting shall be held on the succeeding Monday. At such Annual Meetings, the Board of Directors shall be elected by ballot of the Unit Owners in accordance with Section 4 of Article III of these Bylaws.

Section 6. Place of Meetings. Meetings of the Unit Owners' Association shall be held at the principal office of the Unit Owners' Association or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Directors.

Section 7. Special Meetings. In addition to the Special Meetings provided under Section 3(b) of these Bylaws, it shall be the duty of the President to call a special meeting of the Unit Owners' Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary-Treasurer by Unit Owners of not less than twenty-five percent (25%) of the aggregate Ownership Interests. The notice of any special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 8. Notice of Meetings. The Secretary-Treasurer shall mail to each Unit Owner a notice of each annual or regularly scheduled meeting of the Unit Owners at least twenty-one (21) but not more than thirty (30) days, and of each special meeting of the Unit Owners at least seven (7), but not more than thirty (30) days, prior to such meeting, stating the time, place and purpose thereof. The mailing of a notice of meeting in the manner provided in this Section and Section 1 of Article XII of the Bylaws shall be considered service of notice.

Section 9. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Unit Owners of fifty percent (50%) or more of the aggregate Ownership Interests shall constitute a quorum at all meetings of the Unit Owners' Association.

Section 10. Adjournment of Meetings. If at any meeting of the Unit Owners' Association a quorum is not present, Unit Owners of a majority of the Ownership Interests who are present at such meeting in person or by proxy may adjourn the meeting to a time not less than forty-eight (48) hours after the time the original meeting was called.

Section 11. Order of Business. The order of business at all annual meetings of the Unit Owners' Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Directors.
- (f) Reports of committees.
- (g) Election of inspectors of election (when so required).
- (h) Election of members of the Board of Directors (when so required).
- (i) Unfinished business.
- (j) New business.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Unit Owners' Association and the Secretary-Treasurer 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 Unit Owners' Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Unit Owners' Association when not in conflict with the Declaration, these Bylaws, or the Condominium Act.

Section 13. Voting. (a) Each Unit shall be entitled to vote at meetings of the Unit Owners' Association on the basis of

its respective proportionate share of Ownership Interest in the Common Elements as shown on Exhibit C attached to the Declaration. All votes shall be tallied by tellers appointed by the President.

(b) Where the ownership of a Unit is in more than one Person, the Person who shall be entitled to cast the vote of such Unit shall be the Person named in a certificate executed by all of the owners of such Unit and filed with the Secretary-Treasurer 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 Person owning such Unit is present, then such vote shall be cast only in accordance with their unanimous agreement pursuant to Section 305(c) of the Condominium Act. Such certificate shall be valid until revoked by a subsequent certificate similarly executed.

(c) Wherever the approval or disapproval of a Unit Owner is required by the Condominium Act, the Declaration or these Bylaws, 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 Unit Owners' Association.

(d) Except where a greater number is required by the Condominium Act, the Declaration or these Bylaws, a majority of the Unit Owners present in person or by proxy is required to adopt decisions at any meeting of the Unit Owners' Association.

(e) If the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Unit Owners' Association to cast the votes to which such Unit or Units are entitled.

(f) No votes in the Unit Owners' Association shall be deemed to appertain to any Condominium Unit during such time as the Unit Owner thereof is the Unit Owners' Association.

(g) No Unit Owner shall vote at any meeting of the Unit Owners' Association or be elected to or serve on the Board of Directors if the Unit Owners' Association has commenced an action to enforce a lien against his Unit and the claim remains unsatisfied at the time of such meeting or election.

(h) In the event fifty percent (50%) or more of the votes in the Unit Owners' Association appertain to twenty-five percent (25%) or less of the Units, then in any case where a majority vote is required by these Bylaws or the Condominium Act, the requirement for such a majority shall be deemed to include, in addition to the specified number of votes, assent by the Unit Owners of a like majority of the Units.

Section 14. Proxies. A vote may be cast in person or by proxy. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein, or any adjournment thereof, shall be duly acknowledged, and must be filed with the Secretary-Treasurer before the appointed time of the meeting or at the meeting prior to its exercise. Such proxy shall be revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from any of the Persons owning such Unit, by executing and filing a later dated proxy or revocation, or by appearance and voting in person. A proxy to be valid must be dated, must not purport to be revocable without notice as aforesaid, and must be duly acknowledged.

ARTICLE III

Board of Directors

Section 1. Number and Qualification. (a) The affairs of the Unit Owners' Association shall be governed by a Board of Directors.

(b) Until deeds of conveyance representing more than twenty-five percent (25%) of the aggregate Ownership Interests shall have been delivered to Unit Owners by the Declarant, or until the expiration of two (2) years from the settlement of the first Unit sold by the Declarant, whichever occurs first, the Board of Directors shall consist of such persons as may be designated by the Declarant. Thereafter, the members of the Board shall be selected as set forth in Article II, Section 3 of these Bylaws.

(c) The Board of Directors shall be composed of five (5) persons, all of whom shall be Unit Owners or spouses of Unit Owners or designees of the Declarant; provided, however, that, anything in these Bylaws to the contrary notwithstanding, so long as the Declarant owns Units representing twenty-five percent (25%) or more of the aggregate Ownership Interests (but in no event after the expiration of the maximum time permitted by Section 302(a) of the Condominium Act) a majority of the members of the Board of Directors shall be designated by the Declarant. The Declarant appointees need not be residents, nor Unit owners, of the Condominium, and the Declarant shall have the right in its sole discretion to replace such Directors as may be so designated, and to designate their successors.

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Unit Owners' Association. In carrying out such powers and duties, the Board of Directors may take all actions other than any that are required by the Condominium Act, by the Declaration, or by these Bylaws to be exercised and done solely by the Unit Owners' Association. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the benefit and enjoyment of the Condominium; provided, however, that such Rules and Regulations shall not be in conflict with the Condominium Act, the Declaration, or these Bylaws. The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the Managing Agent, which may arise between meetings of the Board of Directors. In addition to the duties imposed by these Bylaws or by any resolution of the Unit Owners' Association that may hereafter be adopted, the Board of Directors shall on behalf of the Unit Owners' Association:

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

(b) Make assessments against Unit Owners to defray the costs and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners, and establish the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the Board of Directors, the annual assessment against each Unit Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for such month.

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

(d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements and provide services for the 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 thereof in bank depositories designated by the Board of Directors, and use the proceeds to carry out the administration of the Property.

(f) Make and amend the Rules and Regulations.

(g) Open bank accounts on behalf of the Unit Owners' Association and designate the signatories thereon.

(h) Make, or contract for the making of, repairs, additions and 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.

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

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

(k) Pay the cost of all authorized services rendered to the Unit Owners' Association and not billed to Unit Owners of individual Units or otherwise provided for in these Bylaws.

(l) Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Property, and the administration of the Condominium, specifying the expenses of maintenance and repair of the Common Elements and any other expenses incurred. Such books and vouchers accrediting the entries thereupon shall be available for examination by the Unit Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner set and announced by the Board of Directors for the general knowledge of the Unit Owners. All books and records shall be kept in accordance with good and accepted accounting practices, and the same shall be audited at least once each year by an independent certified public accountant retained by the Board of Directors who shall not be a resident of the Condominium or a Unit Owner. The cost of such audit shall be a Common Expense.

(m) 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 thirty (30) days.

(n) Borrow money on behalf of the Condominium when required in connection with any one instance relating to the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of at least two-thirds in number and in Ownership Interest of all Unit Owners, obtained 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 Ten Thousand Dollars (\$10,000), and (ii) no lien to secure repayment of any sum borrowed may be created on any Condominium Unit and the Mortgagee. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this paragraph (n) is not repaid by the Unit Owners' Association, a Unit Owner who pays to the creditor such proportion thereof as his Ownership Interest bears to the total Ownership Interests 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.

(o) Do such other things and acts not inconsistent with the Condominium Act, the Declaration, or these Bylaws which the Board of Directors may be authorized to do by a resolution of the Unit Owners' Association.

Section 3. Managing Agent. The Board of Directors shall employ for the Condominium a Managing Agent at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including but not limited to the duties listed in paragraphs (a), (c), (d), (e), (h), (i), (j), (k), (l), (m), and (p) of Section 2 of this Article III. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (b), (f), (g), (n) and (o) of Section 2 of this Article III. Subject to the provisions of Section 302(b) of the Condominium Act, during the period when persons designated by the Declarant constitute a majority of the Board of Directors, the Board of Directors may employ a Managing Agent for a term not to exceed two (2) years. The Unit Owners' Association and the Board of Directors shall not undertake "self-management" or fail to employ a Managing Agent. Nor shall the Unit Owners' Association employ a new Managing Agent without thirty (30) days' prior written notice to, and approval by, Mortgagees holding Mortgages on fifty-one percent (51%) or more of Units encumbered by Mortgages. Any contract with the Managing Agent must provide that it may be terminated for cause on no more than thirty days' written notice, and that either party may terminate without cause or payment of a termination fee on no more than ninety (90) days' written notice. The term of any such contract may not exceed three (3) years, subject, however, to the provisions of Section 302 of the Condominium Act. The Declarant, or an affiliate of the Declarant, may be employed as Managing Agent.

Section 4. Election and Term of Office. At the first Annual Meeting of the Unit Owners' Association held pursuant to Article II, Section 4 of these Bylaws, the initial term of office of two members of the Board of Directors shall be fixed at three years, the initial term of office of two members of the Board of Directors shall be fixed at two years, and the initial term of office of one member of the Board of Directors shall be fixed at one year. At the expiration of the initial term of office of each member of this initial Board of Directors, a successor shall be elected to serve for a term of three years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Unit Owners' Association.

Section 5. Removal or Resignation of Members of the Board of Directors. Except with respect to directors designated by Declarant, at any regular or special meeting duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a majority 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 member of the Board of Directors may resign at any time and shall be deemed to have resigned upon disposition of his Unit as provided for officers in Section 306 of the Condominium Act.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of a majority of the Unit Owners as provided in the immediately preceding Section 5 shall be filled by a vote of a majority of the remaining directors at a special meeting of the Board of Directors 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. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member who vacated his directorship or until a successor shall be elected to serve the remainder of the term at the next annual meeting of the Unit Owners' Association. Notwithstanding anything to the contrary in this Section or in the preceding Section 5, so long as the Declarant owns twenty-five percent (25%) or more of the aggregate Ownership Interests (but in no event after the expiration of the maximum time permitted by Section 302(a) of the Condominium Act), the Declarant shall designate the successor to any resigned or removed member previously designated by the Declarant.

Section 7. Organization Meeting. The first meeting of the Board of Directors following each annual meeting of the Unit Owners' Association shall be held within ten (10) days thereafter. Such Board of Directors meeting shall be held at such time and place as shall be fixed by the Unit Owners' Association at the annual meeting. No notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute the first meeting of the Board of Directors, providing a majority of the whole Board of Directors shall be present at such meeting.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, by mail or telegraph, at least five (5) business days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on five business days notice to each director, given by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary-Treasurer in like manner and on like notice on the written request of at least two directors.

Section 10. Waiver of Notice. Any director may at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall constitute a waiver of notice by him of

the time, place and purpose of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Directors. Except as provided in section 6 of this Article, at all meetings of the Board of Directors, 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 of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 12. Fidelity Bonds. As required by section 2(d) of Article VI, there shall be obtained fidelity bonds in an amount not less than Fifty Thousand Dollars (\$50,000) or not less than one and one-half times the estimated annual operating expenses of the Condominium, including reserves and escrows, whichever amount is greater, for all officers, directors and employees of the Unit Owners' Association, including without limitation the Managing Agent, handling or responsible for Condominium funds. The fidelity bonds shall designate the Association as the named insured. The premiums on such bonds shall constitute a Common Expense.

Section 13. Compensation. No director shall receive any compensation from the Condominium for acting as a director.

Section 14. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary-Treasurer shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws, or the Condominium Act.

Section 15. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 16. Liability of the Board of Directors, Officers, Unit Owners and Unit Owners' Association. (a) The officers and members of the Board of Directors shall not be liable to the Unit Owners' Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners' Association 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 of Directors on behalf of the Unit Owners' Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Condominium Act, the Declaration or these Bylaws. Officers and members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Unit Owners' Association except for individual willful misconduct or bad faith.

(b) A judgment for money against the Unit Owners' Association arising out of the aforesaid indemnity in favor of the members of the Board of Directors or officers, or for damages as a result of injuries arising in connection with the Common Elements

or for liabilities incurred by the Unit Owners' Association, shall, in accordance with Section 309(d) of the Condominium Act, be a lien against the Property owned by the Association and against each of the Condominium Units in proportion to the liability of each Unit Owner for Common Expenses, but no Unit Owner shall be otherwise liable on account of such judgment. Any such judgment shall be satisfied first out of the Property of the Association.

(c) Every agreement made by the officers, the Board of Directors or the Managing Agent on behalf of the Unit Owners' Association shall, if obtainable, provide that the officers, the members of the Board of Directors or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners' Association and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited as aforesaid in accordance with Section 309(d) of the Condominium Act.

(d) The Unit Owners' Association shall not be liable for any failure of water supply or other services to be obtained by the Unit Owners' 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 any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment. The Unit Owners' Association shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any assessments, as 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 Unit Owners' Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

Section 17. Common or Interested Directors. Each member of the Board of Directors shall exercise his powers and duties in good faith and with a view to the interests of the Condominium as a whole. No contract or other transaction between the Unit Owners' Association and any corporation, firm or association (including the Declarant) in which any of the directors of the Unit Owners' 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 of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

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

(b) The fact of the common 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 Unit Owners' Association 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 at any meeting of the Board of

Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote at such meeting to authorize any contract or transaction with like force and effect as if such director were not such director or officer of such Unit Owners' Association or not so interested.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Unit Owners' Association shall be the President, the Vice President, and the Secretary-Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The President and Vice President shall be members of the Board of Directors. Any other officers may, but need not, be Unit Owners or members of the Board of Directors.

Section 2. Election of Officers. The officers of the Unit Owners' Association shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall: be the chief executive officer of the Unit Owners' Association; preside at all meetings of the Unit Owners' Association and of the Board of Directors; and have all of the general powers and duties which are incident to the office of president of a corporation organized under the District of Columbia Business Corporation Act, including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Unit Owners' Association.

Section 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 of Directors shall appoint some other member of the Board of Directors 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 upon him by the Board of Directors or by the President.

Section 6. Secretary-Treasurer. The Secretary-Treasurer shall keep the minutes of all meetings of the Unit Owners' Association and of the Board of Directors; have charge of such books and papers as the Board of Directors may direct; have the responsibility for Unit Owners' Association funds and securities, and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data; and be responsible for the deposit of all monies and other valuable effects in the

name of the Board of Directors, the Unit Owners' Association or the Managing Agent, in such depositories as may from time to time be designated by the Board of Directors. The Secretary-Treasurer shall maintain a register setting forth the place to which all notices to Unit Owners and Mortgagees hereunder shall be delivered and, in general, perform all the duties incident to the offices of secretary and treasurer of a corporation organized under the District of Columbia Business Corporation Act.

Section 7. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Unit Owners' Association for expenditures or obligations in excess of Twenty-Five Hundred Dollars (\$2,500) shall be executed by any two persons designated by the Board of Directors. All such instruments for expenditures or obligations of Twenty-Five Hundred Dollars or less may be executed by any one person designated by the Board of Directors.

Section 8. Compensation of Officers. No officer who is also a director shall receive any compensation from the Unit Owners' Association for acting as an officer.

ARTICLE V

Operation of the Property

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

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

(b) **Preparation and Approval of Budget.**

(1) Subject to the provisions of Section 1(e) of this Article V, on or before the fifteenth day of September of each year (or 105 days before the beginning of the fiscal year), the Board of Directors shall adopt a budget for the Unit Owners' Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws, or a resolution of the Unit Owners' 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. Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements.

(2) On or before the next succeeding first day of November (or 60 days before the beginning of the fiscal year), the Board of Directors shall send to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the Common Expenses and any special assessment payable by each Unit Owner. Such budget shall constitute the basis for determining each Unit Owner's assessment for the Common Expenses of the Unit Owners' Association.

(c) Assessment and Payment of Common Expenses.

subject to the provisions of Section 1(a) of Article IX hereof and Section 1(e) of this Article V, the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Board of Directors shall be assessed against each Unit Owner in proportion to his respective Ownership Interest; provided, however, that all such required funds for Common Expenses allocable to the parking garage shall be assessed only against those Unit Owners who own Parking Units in the garage in proportion to the respective Ownership Interests of the Parking Units they own; and that all such required funds for Common Expenses allocable to the Parking Units outside the garage shall be assessed only against those Unit owners who own Parking Units outside the garage, in proportion to the respective Ownership Interests in the Parking Units they own. All such assessments shall be a lien against each Unit Owner's Unit as provided in Article IX, Section 2 of these Bylaws. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors), one-twelfth (1/12th) of such assessment. Within 60 days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners and to each Mortgagee an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves may, if the Board of Directors deems it advisable, be either distributed to the Unit Owners according to each Unit Owner's Ownership Interest or credited according to each Unit Owner's Ownership Interest to the next monthly installments due from Unit Owners under the current fiscal year's budget, until exhausted. Any net shortage shall be assessed promptly against the Unit Owners in accordance with their Ownership Interests and shall be payable either: (1) in full with payment of the next monthly assessment due; or (2) in not more than six equal monthly installments, as the Board of Directors may determine.

(d) Reserves, Special Assessments.

Subject to the provisions of Section 1(e) of this Article V, the Board of Directors shall accumulate and maintain reasonable reserves for working capital, operations, contingencies, replacements, and reasonable amounts with respect to the insurance "deductible" set forth in Article VI, Section 1, paragraph (g). If the reserves are inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Unit Owners according to their respective Ownership Interests (with the exception of such reserves as may relate to the parking garage or the Parking Units outside the garage, which further assessment shall be made only upon those Unit Owners who own Parking Units in the garage or outside the garage, as the case may be, in proportion to the respective Ownership Interests of the Parking Units they own in the garage or outside the garage, as the case may be), and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if such further assessment is not payable in installments, the amount of such assessment. Such assessment shall be a lien as of the effective date as set forth in the preceding paragraph (c).

(e) Initial Assessment. (1) Notwithstanding any provision of this Section 1 to the contrary, when the first Board of Directors elected or designated pursuant to these Bylaws takes office it shall establish the following budgets for the initial operation of the Condominium:

a. Budget No. 1 shall apply during the period commencing thirty (30) days after such election or designation and ending the day the first Unit is conveyed by Declarant to a bona fide purchaser.

b. Budget No. 2 shall apply from the day the first Unit is conveyed by Declarant to a bona fide purchaser until more than seventy-five percent (75%) of the aggregate Ownership Interests are owned by persons other than Declarant or for a period of two (2) years, whichever comes first.

c. Budget No. 3 shall be the projected budget from the expiration of Budget No. 2 for the following twelve (12) month period and continuing thereon until the next December 31.

Assessments shall be levied on Declarant during the period covered by Budget No. 1 in the manner set forth in subsection (c) of this Section 1. Upon the conveyance of the first Unit by Declarant, Budget No. 2 shall be instituted in place of Budget No. 1 and all Unit Owners, including Declarant, shall thereafter pay their respective shares of assessments levied in accordance with the provisions of subsection (c) of this Section 1. The Condominium shall institute Budget No. 3 in the manner provided in this Section 1 with respect to all other budgets.

(2) The Declarant, as the agent of the Board of Directors, will collect from each initial Purchaser at the time of settlement on his Unit a working capital assessment equivalent to Declarant's estimate of the monthly assessment for such Unit under the budget which is in effect as of the close of business on the date of settlement. The Declarant will deliver the funds so collected to the Board of Directors to provide working capital for the Unit Owners' Association.

(3) Notwithstanding the provisions of subsection (d) of this Section 1, the Board of Directors may provide for reserves in Budget No. 1 or Budget No. 2 only if, in its discretion, it determines such reserve accumulations are necessary in view of the fact that Declarant may be engaged in performing or completing initial construction and/or renovation of Common Elements or is otherwise subject to its warranty obligations during the periods covered by such budgets.

(4) After the institution of Budget No. 2 and Budget No. 3 the Board of Directors shall promptly cause to be made an itemized accounting of the Common Expenses actually incurred and accrued for each such prior term, together with a tabulation of the amounts collected pursuant to such budget and showing the net amount over or short of actual expenses incurred or accrued. Any amount accumulated in excess of the amount required for actual and accrued expenses will, at the election of the Board of Directors, be either distributed to the Unit Owners in proportion to each Unit Owner's contributions towards such expenses or credited to the next monthly installments due from such Unit Owners under the current budget. Any net shortage shall be assessed promptly against the Unit Owners in proportion to their respective contributions and shall be payable either in full with the payment of the next monthly assessment due or in not more than six (6) equal monthly installments, as the Board of Directors may determine.

(f) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined. In the event of such a failure or delay in the preparation or adoption of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notice of the new monthly payment which shall become due sixty (60) days after such new annual or adjusted budget shall have been delivered to the Unit Owners, as set forth in paragraphs (b) and (c) of this Section.

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

Section 2. Payment of Common Expenses. Each Unit Owner shall pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit. No former Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recordation of a conveyance by him in fee of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefor; provided, however, that any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Unit Owner within five (5) business days following a written request therefor to the Board of Directors or Managing Agent, and such purchaser shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth; and provided, further, that each Mortgagee or other purchaser of a Unit who obtains title to a Condominium Unit by virtue of foreclosure or pursuant to remedies provided in such Mortgage, or by deed or assignment in lieu of foreclosure, together with its successors and assigns ("Permitted Mortgagees") shall not be liable for, and shall take the Condominium Unit free of, any claims for unpaid assessments or charges against such Unit which accrue prior to the time such Permitted Mortgagee acquires title thereto as aforesaid. Any such unpaid share of Common Expenses assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee as aforesaid shall be collectible from all Unit Owners, including said Permitted Mortgagee, in proportion to their respective Percentage Interests.

Section 3. Collection of Assessments. The Board of Directors or the Managing Agent, at the request of the Board of Directors, shall take prompt action to collect any assessment for Common Expenses due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof. Any assessment, or installment thereof, not paid when due shall

bear interest on the principal amount only from the due date thereof until paid at the maximum lawful rate but not to exceed twelve percent (12%) per annum.

Section 4. Statement of Common Expenses. The Board of Directors shall promptly provide any Unit Owner, contract purchaser or Mortgagee so requesting a written Statement of Common Expenses along with a written statement of all unpaid assessments for Common Expenses due from such Unit Owner.

Section 5. Maintenance, Repair, Replacement and Other Common Expenses.

(a) By the Board of Directors. The Board of Directors shall be responsible for the maintenance, repair and replacement (unless, if in the opinion of not less than 60% of the Board of Directors, such expense was necessitated by the negligence, misuse or neglect of a Unit Owner) of all of the 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, provided, however, that each Unit Owner shall perform normal maintenance on any portion of the remaining Common Elements which the Board of Directors pursuant to the Rules and Regulations has given him permission to utilize, including without limitation the items enumerated in subsection (b) hereof, and, provided, further, that all such costs allocable to the parking garage and Parking Units outside the garage shall be shared proportionally only among those Unit Owners owning Parking Units in the garage or outside the garage, as the case may be.

(b) By the Unit Owner.

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

(2) The Unit Owner of any Parking Unit shall perform the normal maintenance for such Parking Unit, including keeping it in a 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 his negligence, misuse or neglect. All structural repair or replacement shall be made by the Board of Directors as a Common Expense, as provided in subsection (a) above.

(3) Any Unit Owner permitted by the Board of Directors 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.

(c) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original con-

struction and installation and shall be of first-class quality. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board of Directors.

Section 6. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the Common Elements shall require additions, alterations or improvements costing in excess of Five Thousand Dollars (\$5,000) during any period of twelve consecutive months, and the making of such additions, alterations or improvements shall have been approved by a Majority of the Unit Owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing Five Thousand Dollars (\$5,000) or less during any period of twelve consecutive months may be made by the Board of Directors without approval of the Unit Owners and the cost thereof shall constitute a Common Expense. Notwithstanding the foregoing, if, in the opinion of not less than eighty percent (80%) of the members of the Board of Directors, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of the Unit Owners requesting the same, such requesting Unit Owners shall be assessed therefor in such proportion as the Unit Owners shall jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors.

Section 7. Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to his Apartment Unit or Parking Unit without the prior written consent of the Board of Directors. No Unit Owner shall paint or alter the exterior of his Parking Unit or Apartment Unit, including the doors and windows of the latter, nor shall any Unit Owner paint or alter the exterior of the Building, without the prior written consent of the Board of Directors. The Board of Directors shall be obligated to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement (by painting or otherwise) to or in such Unit Owner's Unit within forty-five (45) days after such request and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed structural addition, alteration or improvement. 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 Unit Owners' Association, and provided consent has been given by the Board of Directors, then the application shall be executed on behalf of the Unit Owners' Association by the Board of Directors only, without however incurring any liability on the part of the Board of Directors or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having claim for injury to person or damage to property arising therefrom. Subject to the approval of any Mortgagee of such affected Units, the Board of Directors 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-Treasurer shall record any necessary amendment to the Declaration to effect such action as provided in Sections 225 or 226 of the Condominium Act. The provisions of this Section 7 shall not apply to Units owned by the Declarant until deeds of conveyance of such Units shall have been recorded. The Declarant shall have the right to make such alterations or subdivisions without the consent of the Board of Directors and the Board of Directors shall execute any such application required.

Section 8. Restrictions on Use of Units and Common Elements
Rules and Regulations.

(a) Each Unit and the Common Elements shall be occupied and used as follows:

(1) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property or any part thereof applicable for residential use without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste shall be committed in the Common Elements.

(2) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. Those laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion or use of the Property to be complied with shall be complied with by and at the sole expense of the Unit Owner or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the Property, and, if the latter, then the cost of such compliance shall be a Common Expense.

(3) Nothing shall be altered or constructed in or removed from the Common Elements except upon the prior written consent of the Board of Directors.

(4) 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.

(5) No Apartment Unit shall be rented for transient or hotel purposes or in any event for any period less than six (6) months. No portion of any Apartment Unit or Parking Unit (other than the entire Parking Unit) shall be leased for any period. No Unit Owner shall lease an Apartment Unit or Parking Unit other than on a standard form of lease approved by the Board of Directors and each Unit Owner shall, promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Directors. The foregoing provisions of this subparagraph shall not apply to the Declarant, or to a Mortgagee in possession of a Unit as a result of a foreclosure or other judicial sale or as a result of any proceeding in lieu of foreclosure, during the period of such Mortgagee's possession.

(6) No trailers, campers or boats may be parked on the Property. 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.

(7) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements; except that the keeping of a reasonable number of small, orderly domestic pets (such as dogs, cats, caged birds or fish in small table-top tanks) (hereinafter referred to as "permitted pets") is permitted without the prior approval of the Board of Directors, but subject to any Regulations adopted by the Board of Directors; provided, however, that such permitted pets are not kept or maintained for commercial purposes or for breeding and provided, further, that any such permitted pet causing or creating

further, that any such permitted pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon three days written notice from the Board of Directors. Any Unit Owner who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Condominium, each Unit Owner, and the Declarant free and harmless from any loss, claim or liability of any character whatever arising by reason of keeping or maintaining such pet within the Condominium.

(8) The Board of Directors shall have the right from time to time to prescribe limits on the size, weight or type of vehicles using the parking garage or any of the Parking Units.

(9) Nothing shall be affixed to the exterior of the Building, including but not limited to, window air conditioners, television or radio antennas, or other electrical connections, except in such manner as may be approved or prescribed in writing by the Board of Directors.

(10) Each Apartment Unit Owner shall (1) have carpeting installed over at least eighty percent (80%) of the floor area, excluding the kitchen, of the Unit within thirty (30) days of occupying the Unit; and (2) shall maintain in good condition one-inch venetian blinds installed by the Declarant.

(11) All residential unit occupants shall be required to maintain the 1" wide white venetian blinds conveyed with the Unit by the Declarant. A similar sized and color blind shall be reinstalled by Unit occupants.

(12) No Unit Owner shall place or cause or permit to be placed on or in the public halls, stairways or other Common Elements (other than in the areas designated as storage areas) any bicycles, furniture, packages or objects of any kind. The halls and stairways shall be used for no purpose other than for normal transit.

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

Section 9. Right of Access. By acceptance of his deed of conveyance, each Unit Owner thereby grants a right of access to his Unit, as provided by Section 307(a) of the Condominium Act, to the Board of Directors or the Managing Agent, or any other person authorized by the Board of Directors or the Managing Agent, or any group of the foregoing, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including without limitation making inspections, correcting any condition originating in his Unit and threatening another Unit or the Common Elements, performing installations, alterations or repairs to the mechanical or electrical services or the Common Elements in his Unit or elsewhere in the Property or to correct any condition which violates any Mortgage; provided, however, that requests for entry, except in emergencies, are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section 10. Utility Charges. Each Unit Owner shall pay for utilities consumed or used in his Unit which are billed directly to such Unit through separate meters. The cost of utilities serving the Common Elements and of utilities serving Units through

meter systems other than separate meters for each Unit shall be Common Expenses. The costs of operation, maintenance, repair and replacement of any elevators shall be Common Expenses.

Section 11. Parking Units. The cost of maintenance and repair of the parking garage shall be allocated proportionally among Units Owners owning Parking Units in the garage, and the cost of maintenance and repair of the parking facilities outside the garage shall be allocated proportionally among Unit Owners owning such Parking Units outside the garage. The cost of maintenance and repair of the vehicle ramp leading to the garage, including the walls enclosing it other than the wall of the Building, shall be allocated proportionally among Unit Owners owning Parking Units in the garage.

ARTICLE VI

Insurance

Section 1. Authority to Purchase. Except as otherwise provided in Section 3 of this Article VI, all insurance policies relating to the Property shall be purchased by the Board of Directors for the use and benefit of the Unit Owners' Association, the Unit Owners, and their respective Mortgagees, as their interests may appear, which insurance shall be governed by the following provisions:

(a) The Board of Directors shall obtain a single master policy covering physical damage for the entire Property under which the insurance company will issue to each Unit Owner a certificate or sub-policy specifying the portion of the master policy allocated to each Unit Owner's Condominium Unit. Each Unit Owner shall have the right to obtain at his own expense insurance covering the personal property and improvements made to his Unit and "additional living expense coverage" insuring him for the cost of emergency shelter in the event of damage rendering his Unit uninhabitable.

(b) In addition, such master policy and any policy purchased pursuant to Section 2(c) of this Article VI, shall provide the following:

(1) That the insurer waives any right to claim by way of subrogation against the Unit Owners' Association, the Board of Directors, the Managing Agent or the Unit Owners, and their respective agents, employees, guests and, in the case of the Unit Owners, the members of their households;

(2) That such master policy shall not be cancelled, invalidated or suspended due to the conduct of any Unit Owner or of any member, officer or employee of the Board of Directors or the Managing Agent without a prior demand in writing that the Board of Directors or the Managing Agent cure the defect and neither shall have so cured such defect;

(3) That any "other insurance" clause contained in such master policy expressly exclude individual Unit Owners' policies from its operation;

(4) That until the expiration of thirty (30) days after the insurer gives notice in writing to any Mortgagee, such Mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the Unit Owner of such Unit, the other

Unit Owners, the Board of Directors, or any of their agents, employees, or household members, nor cancelled for nonpayment of premiums;

(5) That such master policy may not be cancelled or modified without at least thirty (30) days prior written notice to the Board of Directors and all Mortgagees,

(6) A waiver of any right of the insurer to repair, rebuild and replace, if a decision is made pursuant to Article VII of these Bylaws not to repair, reinstate, rebuild or restore the damage or destruction and, in such event, the insurer shall pay on the basis of replacement cost;

(7) A standard mortgagee clause in favor of each Mortgagee to the extent of the portion of the coverage of the master policy allocated to a mortgaged Unit, which clause shall provide that the loss, if any, thereunder shall be payable to such Mortgagee and the Unit Owner as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee contained in Sections 4 and 5 of this Article VI;

(8) A standard mortgagee clause acceptable to the Mortgagee, which clause shall provide that the insurance carrier shall notify the Mortgagee (or trustee) at least ten (10) days in advance of the effective date of any reduction in or cancellation of the policy;

(9) The Declarant shall be protected by all of the foregoing provisions as if the Declarant were a Unit Owner,

(c) All policies of insurance shall be written by companies acceptable to the Mortgagees, licensed to do business in the District of Columbia, and holding a rating of Class VI (or the equivalent) or better by Best's Insurance Reports,

(d) No insurance shall be obtained or maintained where (1) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Unit Owner or Mortgagee or his designee or successors in interest; (2) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members; or (3) the policy includes any limiting clauses (other than insurance conditions) which could prevent the Unit Owner or Mortgagee or his designee or successors in interest from collecting insurance proceeds.

(e) In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees, unless otherwise required by law.

(f) Each Unit Owner shall be required to notify the Board of Directors of all improvements made by the Unit Owner to his Unit, the value of which is in excess of One Thousand Dollars (\$1,000).

(g) Any Unit Owner who obtains individual insurance policies covering any portion of the Property, other than personal property belonging to such Unit Owner, shall be required to file a copy of such individual policy or policies with the Board of Directors within thirty (30) days after the purchase of such insurance. Such Unit Owner shall also promptly notify, in writing, the Board of Directors in the event such policy is cancelled.

(h) In accordance with Section 301(e) of the Condominium Act, in the event any insurance policy on the Common Elements provides for a "deductible," any amount required to be paid on account of such "deductible" shall be treated as a Common Expense

and paid in accordance with Section 312 of the Condominium Act and Article V of these Bylaws.

Section 2. Insurance Coverage.

(a) The Board of Directors shall obtain and maintain the following insurance:

(1) A blanket policy on a 100% replacement cost basis covering "all risk" perils, including fire insurance with extended coverage, and including the Replacement Cost and the Agreed Amount Endorsements. Such insurance shall include explosion coverage on steam boilers (including breakdown of air conditioning equipment, building service machinery, and electrical equipment) at a minimum of \$50,000 per accident per location, and shall include coverage for cost of demolition and increased cost of construction resulting from the operation of building laws or codes. Such insurance shall include all of the Units and the bathrooms and kitchen fixtures initially conveyed with the Units by the Declarant, but shall not include furniture, furnishings, or other personal property or improvements supplied or installed by Unit Owners. Such insurance shall cover the interest of the Unit Owners' Association, the Board of Directors, and all Unit Owners and their Mortgagees, as their interests may appear. Replacement cost shall be determined annually by the Board of Directors with the assistance of the insurance company affording such coverage;

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

(3) such other insurance as the Board of Directors may determine or as may be requested from time to time by a Majority of the Unit Owners.

(b) A duplicate original of the master policy of physical damage insurance, all renewals thereof, and all subpolicies or certificates and endorsements issued thereunder, together with proof of payment of premiums, shall be delivered by the insurer to any Mortgagee so requesting it at least thirty (30) days prior to expiration of the then current policies. Prior to obtaining any policy of physical damage insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from an insurance company, or such other source as the Board of Directors may determine, of the current replacement cost of the Property (exclusive of the Land), without deduction for depreciation, for the purpose of determining the amount of physical damage insurance to be secured pursuant to this Section. All Mortgagees shall be notified promptly of any event giving rise to a claim under such policy.

(c) The Board of Directors shall obtain and maintain public liability insurance for bodily injury and property damage (including, with regard to the Board of Directors, libel, slander, false arrest, wrongful eviction and invasion of privacy). The Board of Directors shall also obtain Directors and Officers liability insurance, if available at reasonable cost. All such insurance shall be carried in such limits as the Board of Directors may from time to time determine, insuring, as appropriate, each member of the Board of Directors, the Managing Agent, each Unit Owner, and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of, or incident to the ownership and/or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: a cross-liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; hired and non-owned vehicle coverage; host liquor liability coverage with respect to events sponsored by the Unit Owners' Association; deletion of the normal products exclusion with respect to events sponsored by the Unit Owners' Association; and a "severability of interest" endorsement which shall preclude the insurer from denying

liability to a Unit Owner because of negligent acts of the Unit Owners' Association or of another Unit Owner. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than One Million Dollars (\$1,000,000) 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.

(d) The Board of Directors shall maintain or assure the existence of adequate fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of the Unit Owners' Association and all others who handle, or are responsible for handling, funds of the Unit Owners' Association, including the Managing Agent. Such fidelity bonds shall: (i) name the Unit Owners' Association as an obligee; (ii) be written in an amount not less than Fifty Thousand Dollars (\$50,000) or not less than one and one-half times the estimated annual operating expenses of the Condominium, including reserves and escrows, whichever amount is greater; (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and (iv) provide that the same may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice to the Unit Owners' Association and all Mortgagees.

(e) If required by any governmental or quasi-governmental agency including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, the Board of Directors shall provide flood insurance in accordance with the then applicable regulations of such agency.

Section 3. Separate Insurance. Each Unit Owner shall have the right, at his own expense, to obtain additional insurance for his own Unit and for his own benefit and to obtain insurance coverage upon his personal property and for his personal liability; provided, however, that no Unit Owner shall be entitled to exercise his right to acquire or maintain such additional insurance coverage so as to decrease the amount which the Board of Directors, on behalf of all Unit Owners, may realize under any insurance policy on the Property or to cause any insurance coverage maintained by the Board of Directors to be brought into contribution with such additional insurance coverage obtained by a Unit Owner.

Section 4. Insurance Trustee.

(a) All insurance policies purchased by the Board of Directors shall be for the use and benefit of the Unit Owners' Association, the Unit Owners, their Mortgagees, and the Declarant, as their interests may appear, and shall provide that all proceeds covering property losses shall be paid in trust to such banking institution in the metropolitan Washington, D. C., area with trust powers as may be designated by the Board of Directors, which trustee is herein referred to as the Insurance Trustee.

(b) The Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness of any amounts received on account of the proceeds of any insurance policies, nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to 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.

Section 5. Board of Directors as Agent. The Board of Directors is hereby irrevocably appointed the agent for all named insureds to adjust and settle all claims arising under insurance policies purchased by the Board of Directors and to execute and deliver releases upon the payment of claims.

ARTICLE VII

Repair and Reconstruction After Fire or Other Casualty

Section 1. When Repair and Reconstruction are Required. Except as otherwise provided in Section 4 of this Article, in the event of damage to or destruction of all or any of the Buildings as a result of fire or other casualty, the Board of Directors, under the direction of the Insurance Trustee, shall arrange for and supervise the prompt repair and restoration of the Buildings (including any damaged Units, and the floor coverings, kitchen or bathroom fixtures and appliances initially installed therein by the Declarant, and replacements thereof installed by the Unit Owners, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Unit Owners in the Units). Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the redecorating of his own Unit.

Section 2. Procedure for Reconstruction and Repair.

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to any Building, the Board of Directors under the direction of the Insurance Trustee shall obtain reliable and detailed estimates of the cost of repairing and restoring such Building (including any damaged Units and any floor coverings and kitchen and bathroom fixtures and appliances initially installed by Declarant, and the replacements thereof, 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 thereof are insufficient, the amount necessary to complete such reconstruction and repair shall be deemed a Common Expense and a special assessment therefor shall be levied.

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

Section 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 collections of assessments against Unit Owners on account of such casualty, 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 Twenty-five Thousand Dollars (\$25,000), then the construction fund shall be disbursed in payment of such costs upon order of the Board of Directors.

(2) If the estimated cost of reconstruction and repair is Twenty-five Thousand Dollars (\$25,000) or more, then the costs upon approval of an architect qualified to practice in the District of Columbia 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, materialmen, the architect, and other persons who have rendered services or furnished materials in connection with the work and stating that: (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.

(3) Disbursements under (1) and (2) above shall only be made upon receipt of appropriate releases of lien or lien waivers from all contractors or subcontractors employed in connection with said repair or reconstruction.

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

(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, the Units which were damaged, and thereafter to the cost of repairing the other Common Elements.

(d) Certificate. The Insurance Trustee shall be entitled to rely upon a certificate executed by the President or Vice President, and the Secretary-Treasurer, certifying: (i) whether the damaged Property is required to be reconstructed and repaired; (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund or whether surplus funds to be distributed are less than the assessments paid by the Unit Owners; and (iii) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the Insurance Trustee promptly after request.

Section 4. When Reconstruction is Not Required. In the event of insubstantial damage to the Common Elements and if the Board of Directors shall elect not to repair the same, then in such event any insurance proceeds received on account of such damage shall be distributed among all Unit Owners in proportion to their respective Ownership Interests. If the Condominium shall be terminated pursuant to Section 228 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 Board of Directors or the Insurance Trustee, as the case may be, among all Unit Owners in proportion to their respective Ownership Interests, after first paying out of the share of each Unit Owner, to the extent sufficient therefor, the amount of any unpaid liens on his Unit in the order of priority of such liens; said proceeds shall be made payable jointly to the Unit Owners and First Mortgagees, if any, entitled thereto.

Section 5. Priority of Mortgagee to Insurance Proceeds, Condemnation Awards. Nothing in these Bylaws or the Declaration shall be construed to give a Unit Owner, or any other party, priority over the rights of any Mortgagee in the case of a distribution to a Unit Owner of insurance proceeds or condemnation awards for losses of his Unit and/or Common Elements.

ARTICLE VIII

Mortgages

Section 1. Notice to Board of Directors. A Unit Owner who mortgages his Unit shall notify the Board of Directors of the name and address of his Mortgagee and shall file a conformed copy of the note and Mortgage with the Board of Directors.

Section 2. Notice of Default, Casualty or Condemnation. The Board of Directors, when giving notice to any Unit Owner of a default in paying an assessment for Common Expenses or any other default, shall simultaneously send a copy of such notice to the Mortgagee of such Unit; provided, however, that the Mortgagee is notified of the default within sixty (60) days. Each Mortgagee shall also be promptly notified of any casualty giving rise to a possible claim under any insurance purchased under Article VI, of all actions taken under Article VII, and of any taking in condemnation or by eminent domain and actions of the Unit Owners' Association with respect thereto.

Section 3. Notice of Amendment of Declaration or Bylaws. The Board of Directors shall give notice to all Mortgagees seven (7) days prior to the date on which the Unit Owners, in accordance with the provisions of these Bylaws, amend the Condominium Instruments.

Section 4. Notice of Change in Managing Agent. The Board of Directors shall give notice to all Mortgagees thirty (30) days prior to any change in Managing Agent, and no such change shall be adopted without the written consent of all Mortgagees.

Section 5. Mortgagees' Approvals.

(a) Unless all Mortgagees shall have given their prior written approval, neither the Unit Owners' Association nor any Unit Owner shall, by act or omission, withdraw the submission of the Property to the Condominium Act or seek to abandon or terminate the Condominium Project.

(b) Unless at least two-thirds (2/3) of the First Mortgagee (based upon one vote for each First Mortgage owned), or of the Unit Owners, have given their prior written approval, the Unit Owners' Association shall not be entitled to:

(i) Change the Ownership Interest or obligations of any Unit.

(ii) Subdivide or relocate the boundaries or interior partitions of any Unit encumbered by a Mortgage.

(iii) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (other than the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements).

(iv) Use hazard insurance proceeds for losses to any condominium property (whether to units or to common elements) for other than the repair, replacement or reconstruction of such condominium property, except as may be provided by the Act in case of substantial loss to the units and/or common elements of the condominium project.

(v) To the extent this subparagraph is consistent with the Condominium Act, amend the Bylaws or the Declaration in a manner which will diminish the security of any Mortgagee.

Section 6. Other Rights of Mortgagees. All Mortgagees or their representatives shall be entitled to attend meetings of the Unit Owners' Association and shall have the right to speak at such meetings. All such Mortgagees shall have the right to examine the books and records of the Condominium, to receive the annual report filed by Declarant pursuant to Section 407 of the Condominium Act, and to require the submission of annual financial reports and other budgetary information.

ARTICLE IX

Compliance and Default

Section 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 addition to the remedies provided in Section 313 of the Condominium Act, a default by a Unit Owner shall entitle the Unit Owners' Association, acting through its Board of Directors 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 his act, neglect or carelessness or the act, neglect or carelessness of any member of his family or his employees, agents, licensees or invitees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by 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 a court.

(c) **No Waiver of Rights.** The failure of the Unit Owners' Association, the Board of Directors, or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Instruments or the Condominium Act shall not constitute a waiver of the right of the Unit Owners' Association, the Board of Directors or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Unit Owners' Association, the Board of Directors or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Instruments or the Condominium Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the 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 Common Expenses or other sum assessed against him which continues for a period in excess of fifteen (15) days, the principal amount unpaid shall bear interest at the maximum lawful rate not to exceed ten percent (10%) per annum from the due date until paid.

(e) Abating and Enjoining Violations by Unit Owners. The violation of any of the Regulations adopted by the Board of Directors, the breach of any Bylaw contained herein, or the breach of any provision of the Declaration or the Condominium Act shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 2. Lien for Assessments.

(a) The total annual assessment of each Unit Owner for Common Expenses or any special assessment 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 313 of the Condominium Act. Each such lien shall be effective from the time each such assessment becomes due and payable.

(b) In any case where an assessment against a Unit Owner is payable in installments, the full amount of such assessment shall be a lien from the time the first installment thereof becomes due and payable. Upon a default by such Unit Owner in the timely payment of any two consecutive installments, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board of Directors, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner and his Mortgagee by the Board of Directors or the Managing Agent.

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

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

ARTICLE X

Amendments to Bylaws

Section 1. Amendments. These Bylaws may not be modified or amended except as provided in Sections 227 and 228 of the Condominium Act; provided, however, that until the expiration of the maximum time permitted by Section 302 of the Condominium Act, (i) Sections 3, 4 and 5 of Article II, (ii) Section 12 of Article II, (iii) Section 1 of Article III, and (iv) Section 1 of this Article X may not be amended without the consent in writing of the Declar-

ant, so long as the Declarant shall be the Unit Owner of Units representing twenty-five percent (25%) or more of the aggregate Ownership Interest of the Condominium. Where any such amendment is required by Sections 225(c) or 226(c) of the Condominium Act, the Secretary-Treasurer shall effectuate the same.

Section 2. Approval of Mortgagees. These Bylaws contain provisions concerning various rights, priorities, remedies and interests of Mortgagees. Such provisions in these Bylaws are to be construed as covenants for the protection of such Mortgagees on which they may rely in making loans secured by Mortgages. Accordingly, no amendment or modification of these Bylaws impairing or affecting such rights, priorities, remedies or interests of a Mortgagee shall be adopted without the prior written consent of such Mortgagees.

ARTICLE XI

Sales, Leases, and Alienation of Units

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

Section 2. Payment of Assessments. With the exception of Permitted Mortgagees, no Owner shall be permitted to convey, mortgage, hypothecate, sell, lease, give, or devise his Unit unless and until he (or his personal representative) shall have paid in full to the Board of Directors all unpaid Common Expenses theretofore assessed by the Board of Directors against his Unit.

ARTICLE XII

Miscellaneous

Section 1. Notices. 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 delivered personally (pursuant to Section 303 of the Condominium Act) or if sent by registered or certified mail, return receipt requested, postage prepaid (or otherwise as the Condominium Act may permit), (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the Secretary-Treasurer or, if no such address is designated, at the address of the Unit of such Unit Owner, or (ii) if to the Unit Owners' Association, the Board of Directors, or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by

notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one Person, each such Person who so designates an address in writing to the Secretary-Treasurer shall be entitled to receive all notices hereunder.

Section 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 thereof.

Section 3. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, the Declarant has caused these Bylaws to be executed and attested by its duly authorized officers, and its corporate seal to be hereunto affixed, this ____ day of _____, 1978.

Attest:

THE DUPONT, INC.

By: _____

(Corporate Seal)

**FIRST AMENDMENT TO THE DECLARATION
OF DUPONT EAST CONDOMINIUM**

Dupont East Condominium Association,
As Adopted by Two-Thirds or More Vote of Unit Owners,
Annual Meeting, June 1, 1983

The following are validly adopted Amendments to the Dupont East Condominium Bylaws, which were filed and recorded as Exhibit B to the Declaration of Dupont East Condominium, which was recorded February 8, 1979 as Instrument No. 5062 with the Office of Recorder of Deeds of the District of Columbia:

Amendment 1
Article II, page 2

Delete Section 5 of the Bylaws (which constitute Exhibit B to the Declaration, and are hereinafter referred to as the "Bylaws") and replace with:

Section 5. Annual Meetings. Annual Meetings shall be held on the second Wednesday occurring in May of each year. At such Annual Meetings, the Board of Directors shall be elected by ballot of the Unit Owners in accordance with Section 4 of Article III of these Bylaws.

Amendment 2
Article II, page 3

Delete Section 11 of the Bylaws and replace with:

Section 11. Order of Business. The order of business at all Annual Meetings of the Unit Owners' Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Directors.
- (f) Report of committees.
- (g) Election of members of the Board of Directors (when so required).
- (h) Unfinished business.
- (i) New business.

Amendment 3

Article II, pages 3 - 4

Delete Section 13 of the Bylaws and replace with:

Section 13. Voting.

(b) Where ownership of a Unit is by more than one person, if only one such person is present at a meeting of the Association, that person shall be entitled to cast the vote of that unit. If more than one of such persons is present, the vote of that unit shall be cast only in accordance with their unanimous consent, and such consent shall be conclusively presumed if any one of them purports to cast the vote of such Unit without protest being made forthwith by any of the others to the person presiding over the meeting.

Amendment 4

Article V

Section 3, pages 15-16

Delete Section 3 of the Bylaws and replace with:

Section 3. Collection of Assessments. The Board of Directors or the Managing Agent, at the request of the Board of Directors, shall take prompt action to collect any assessment for common expenses due from any unit owner which remains unpaid for more than fifteen (15) days from the due date for payment thereof. Any assessment or installment thereof not paid within thirty (30) days of the due date for payment thereof shall bear interest on the principal amount only from the due date for payment thereof until paid at the rate of fifteen percent (15%) per annum.

Article IX

Section 1(d), page 27

Delete Section 1(d) of the Bylaws and replace with:

Section 1.

(d) Interest. In the event of a default by any Unit Owner in paying any Common Expenses or other sum assessed against him which continues for a period in excess of thirty (30) days, the principal amount unpaid shall bear interest at the maximum lawful rate not to exceed fifteen percent (15%) per annum from the due date until paid.

Amendment 5
Article XII
Section 1, page 29

Delete the first paragraph of Section 1 of the Bylaws up to the phrase "shall be designated by" and replace with:

Section 1. Notices. All notices, demand, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally (pursuant to Section 303 of the Condominium Act) or if sent by United States mail, (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the Secretary-Treasurer or, if no such address is designated, at the address of the Unit of such Owner, or (ii) if to the Unit Owners' Association, the Board of Directors, or to the Managing Agent, at the principal office of the Managing Agent or such other address as

* * * * *

IN TESTIMONY WHEREOF, the said Dupont East Condominium Association on this 10th day of January, 1984, caused these presents to be signed by Hylan Lyon its president and attested by its secretary, and its corporate seal to be affixed and doth hereby appoint Mark S. Tenenbaum its true and lawful attorney in fact to acknowledge and deliver these presents as its act and deed.

(Corporate Seal)

DUPONT EAST CONDOMINIUM ASSOCIATION

Attest:

Hylan Lyon
Hylan Lyon, President

Marvyn A. Bell
Secretary

DISTRICT OF COLUMBIA: SS

I, _____, a Notary Public in and for the District of Columbia do hereby certify that Mark S. Tenenbaum, who is personally well known to me as the person named as the attorney in fact in the foregoing and annexed First Amendment to the Declaration of Dupont East Condominium, bearing date on the _____ day of _____, 1984, and as attorney in fact as foresaid, and by virtue of the power vested in him by said First Amendment to the Declaration of Dupont East Condominium, acknowledged the same to be the act and deed of the Dupont East Condominium Association.

Given under my hand and seal this _____ day of _____ A.D., 1984.

(Notarial Seal)

Notary Public

Current Unaudited Financial Documents
Dupont East Condominium



1545 18TH STREET, N.W.
WASHINGTON DC 20036

<p>THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC CONSOLIDATED OPERATING STATEMENT 05/31/2016</p>
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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

(MO=5)	CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	PERCENT	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	PERCENT	ANNUAL BUDGET	REMAINING BUDGET
TOTAL ASSESSMENTS	116,209	116,110	99	0%	581,045	580,550	495	0%	1,393,320	812,275
TOTAL OTHER INCOME	2,029	4,104	-2,075	-51%	16,969	20,520	-3,551	-17%	49,250	32,281
TOTAL REVENUE	118,238	120,214	-1,976	-2%	598,014	601,070	-3,056	-1%	1,442,570	844,556
EXPENSES										
TOTAL ADMINISTRATIVE	13,751	20,226	6,475	-32%	66,992	76,030	9,038	-12%	184,415	117,423
TOTAL PAYROLL	37,474	40,888	3,414	-8%	198,928	204,440	5,512	-3%	490,650	291,722
TOTAL UTILITIES	22,951	24,450	1,499	-6%	125,036	135,228	10,192	-8%	314,500	189,464
TOTAL REPAIR & MAINTENANC	1,805	7,251	5,446	-75%	19,015	36,255	17,240	-48%	87,000	67,985
TOTAL SERVICE AGREEMENTS	3,349	4,582	1,233	-27%	29,078	32,910	3,832	-12%	81,900	52,822
TOTAL TAXES & LICENSES	0	42	42	-100%	4,820	5,460	640	-12%	11,000	6,180
TOTAL OPERATING EXPENSES	79,330	97,439	18,109	-19%	443,868	490,323	46,455	-9%	1,169,465	725,597
TOTAL RESERVE/SPEC ASSESS	22,748	22,759	11	0%	113,741	113,792	51	0%	273,105	159,364
TOTAL RESERVE EXPENDITURE	0	0	0	0%	0	0	0	0%	0	0
UNBUDGETED EXPENSES	0	0	0	0%	0	0	0	0%	0	0
TOTAL UNBUDGETED EXPENSES	0	0	0	0%	0	0	0	0%	0	0
NET SURPLUS OR DEFICIT	16,161	16	16,145	999%	40,405	-3,045	43,450	999%	0	-40,405

1545 18TH STREET, N.W.
WASHINGTON DC 20036

<p>THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC</p> <p>OPERATING STATEMENT</p> <p>05/31/2016</p>

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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

(MO=5)		CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	PERCENT	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	PERCENT	ANNUAL BUDGET	REMAINING BUDGET
INCOME											
ASSESSMENTS											
51500	CONDOMINUM FEES	113,049	113,042	7	0%	565,245	565,210	35	0%	1,356,503	791,258
59600	RENT INCOME	2,100	2,000	100	5%	10,500	10,000	500	5%	24,000	13,500
51530	PARKING (.00936)	1,060	1,068	-8	-1%	5,300	5,340	-40	-1%	12,817	7,517
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL ASSESSMENTS	116,209	116,110	99	0%	581,045	580,550	495	0%	1,393,320	812,275
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
OTHER INCOME											
59200	LATE FEES	50	83	-33	-40%	408	415	-8	-2%	1,000	593
59557	LAUNDRY INCOME	1,265	2,500	-1,235	-49%	10,253	12,500	-2,247	-18%	30,000	19,747
59900	MISCELLANEOUS INCOME	0	708	-708	-100%	1,372	3,540	-2,168	-61%	8,500	7,128
59510	MOVE-IN FEES	500	750	-250	-33%	4,250	3,750	500	13%	9,000	4,750
59450	REPAIR & MAINTENANCE INCO	160	42	118	281%	383	210	173	82%	500	117
59100	VENDING MACHINE INCOME	54	21	33	159%	304	105	199	189%	250	-54
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL OTHER INCOME	2,029	4,104	-2,075	-51%	16,969	20,520	-3,551	-17%	49,250	32,281
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL REVENUE	118,238	120,214	-1,976	-2%	598,014	601,070	-3,056	-1%	1,442,570	844,556
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
EXPENSES											
ADMINISTRATIVE											
63370	EDUCATION & TRAINING	0	333	333	100%	80	1,665	1,585	95%	4,000	3,920
63110	OFFICE SUPPLIES	0	250	250	100%	1,036	1,250	214	17%	3,000	1,964
63900	ADMIN MISCELLANEOUS	334	500	166	33%	1,469	2,500	1,031	41%	6,000	4,531
63500	AUDITOR	0	5,550	5,550	100%	0	5,550	5,550	100%	5,550	5,550
63410	ENGINEERING CONSULTANTS	800	1,000	200	20%	4,000	5,000	1,000	20%	12,000	8,000
63400	LEGAL	309	417	108	26%	2,129	2,085	-44	-2%	5,000	2,872
63200	MANAGEMENT FEES	6,083	6,083	0	0%	30,415	30,415	0	0%	73,000	42,585
63201	MGMT FEE (NON-CONTRA	376	382	6	1%	2,497	1,910	-587	-31%	4,580	2,083
67200	INSURANCE	3,599	3,520	-79	-2%	17,590	17,600	10	0%	42,235	24,645
67205	INSURANCE LOSSES	0	0	0	0%	0	0	0	0%	10,000	10,000
63311	CONDOMINIUM FEES	1,242	1,258	16	1%	6,210	6,290	80	1%	15,100	8,890
63523	ANNUAL MEETING	700	725	25	3%	950	725	-225	-31%	1,450	500
63554	WEB SITE	308	208	-100	-48%	616	1,040	424	41%	2,500	1,884
		-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	TOTAL ADMINISTRATIVE	13,751	20,226	6,475	32%	66,992	76,030	9,038	12%	184,415	117,423



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<p>THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC</p> <p>OPERATING STATEMENT</p> <p>05/31/2016</p>

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CFM MANAGEMENT SERVICES
5250 CHEROKEE AVENUE SUITE 100
ALEXANDRIA VA 22312-2063

	(MO=5)	CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	PERCENT	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	PERCENT	ANNUAL BUDGET	REMAINING BUDGET
PAYROLL											
	PAYROLL TAXES	2,405	2,717	312	11%	14,299	13,585	-714	-5%	32,600	18,301
67230	GROUP HEALTH INSURANCE	5,138	5,000	-138	-3%	25,805	25,000	-805	-3%	60,000	34,195
63362	401K CONTRIBUTION	0	333	333	100%	0	1,665	1,665	100%	4,000	4,000
63300	BUILDING MANAGER	8,473	8,825	352	4%	41,281	44,125	2,844	6%	105,900	64,619
63325	DESK CLERKS	11,501	12,208	707	6%	60,888	61,040	153	0%	146,500	85,613
65400	ENGINEER	4,021	4,542	521	11%	21,615	22,710	1,095	5%	54,500	32,885
65115	PORTERS	5,935	7,263	1,328	18%	35,039	36,315	1,276	4%	87,150	52,111
	TOTAL PAYROLL	37,474	40,888	3,414	8%	198,928	204,440	5,512	3%	490,650	291,722
UTILITIES											
64500	ELECTRICITY	10,341	11,810	1,469	12%	46,826	48,803	1,977	4%	133,000	86,174
64520	GAS	3,455	3,455	0	0%	40,000	46,065	6,065	13%	78,000	38,000
64540	WATER & SEWER	8,393	8,393	0	0%	34,416	36,400	1,984	5%	94,000	59,584
63600	TELEPHONE	762	792	30	4%	3,795	3,960	165	4%	9,500	5,705
	TOTAL UTILITIES	22,951	24,450	1,499	6%	125,036	135,228	10,192	8%	314,500	189,464
REPAIRS AND MAINTENANCE											
65460	AIR CONDITIONING	0	500	500	100%	2,402	2,500	98	4%	6,000	3,598
65461	HEATING	0	750	750	100%	2,773	3,750	977	26%	9,000	6,227
65825	ELECTRICAL	0	583	583	100%	264	2,915	2,651	91%	7,000	6,736
65840	PLUMBING	54	1,000	946	95%	669	5,000	4,331	87%	12,000	11,331
65621	PAINT & PLASTER	0	500	500	100%	70	2,500	2,430	97%	6,000	5,930
65815	FLOORS/ CARPET	0	417	417	100%	0	2,085	2,085	100%	5,000	5,000
65900	GENERAL SUPPLIES	157	417	260	62%	733	2,085	1,352	65%	5,000	4,267
65150	JANITORIAL SUPPLIES	0	750	750	100%	1,369	3,750	2,381	63%	9,000	7,631
65854	LOCKS KEYS & DOORS	0	83	83	100%	367	415	48	12%	1,000	633
65717	GENERAL REPAIRS	0	667	667	100%	1,138	3,335	2,197	66%	8,000	6,862
65741	ROOFINGS & WATERPROOFING	0	167	167	100%	0	835	835	100%	2,000	2,000
65714	BUILDING EQUIPMENT REPAIR	488	500	12	2%	2,382	2,500	118	5%	6,000	3,618
65455	ELEVATOR REPAIRS	1,105	292	-813	-278%	3,486	1,460	-2,026	-139%	3,500	14
65658	FIRE SAFETY EQUIPMENT	0	417	417	100%	1,815	2,085	270	13%	5,000	3,185
65441	GROUNDS NON CONTRACT	0	208	208	100%	1,547	1,040	-507	-49%	2,500	953
	TOTAL REPAIR & MAINTENANC	1,805	7,251	5,446	75%	19,015	36,255	17,240	48%	87,000	67,985
MAINTENANCE SERVICE AGREEMENTS											
65463	AIR CONDITIONER CONTRACT	0	542	542	100%	1,560	2,710	1,150	42%	6,500	4,940
65465	KPS-16	224	225	1	1%	1,119	1,125	6	1%	2,700	1,581
65442	BOILER CONTRACT	242	333	91	27%	1,212	1,665	453	27%	4,000	2,788
65450	ELEVATOR CONTRACT	0	0	0	0%	6,360	7,000	640	9%	14,000	7,640
65550	WATER TREATMENT	197	208	11	5%	985	1,040	55	5%	2,500	1,515



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CFM MANAGEMENT SERVICES
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ALEXANDRIA VA 22312-2063

(MO=5)	CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	PERCENT	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VARIANCE	PERCENT	ANNUAL BUDGET	REMAINING BUDGET
65190 EXTERMINATOR CONTRACT	278	333	55	17%	1,388	1,665	277	17%	4,000	2,612
65180 UNIFORMS	348	400	52	13%	1,784	2,000	216	11%	4,800	3,016
65176 CARPET CLEANING	0	0	0	0%	1,988	0	-1,988	0%	4,400	2,412
65370 GROUNDS MAINTENANCE CONTR	1,299	1,333	34	3%	6,493	6,665	172	3%	16,000	9,507
65480 SNOW REMOVAL	0	0	0	0%	523	3,000	2,477	83%	5,000	4,477
65250 TRASH REMOVAL	762	875	113	13%	3,799	4,375	576	13%	10,500	6,701
65650 WINDOW CLEANING	0	0	0	0%	0	0	0	0%	3,500	3,500
65260 TRASH CHUTE CLEANING	0	333	333	100%	1,866	1,665	-201	-12%	4,000	2,134
TOTAL SERVICE AGREEMENTS	3,349	4,582	1,233	27%	29,078	32,910	3,832	12%	81,900	52,822
TAXES & LICENSES										
67150 FEDERAL & STATE INCOME TA	0	0	0	0%	2,000	2,000	0	0%	4,000	2,000
67100 REAL ESTATE TAX	0	0	0	0%	2,820	3,250	430	13%	6,500	3,680
67190 LICENSES, FEES & PERMITS	0	42	42	100%	0	210	210	100%	500	500
TOTAL TAXES & LICENSES	0	42	42	100%	4,820	5,460	640	12%	11,000	6,180
TOTAL OPERATING EXPENSES	79,330	97,439	18,109	19%	443,868	490,323	46,455	9%	1,169,465	725,597
RESERVE CONTRIBUTIONS										
70010 REPLACEMENT RESERVE CONTR	22,759	22,759	0	0%	113,792	113,792	0	0%	273,105	159,313
70012 INTEREST CONTRIBUTION TO	882	0	-882	0%	-2,680	0	2,680	0%	0	2,680
54100 INTEREST INCOME	-893	0	893	0%	2,629	0	-2,629	0%	0	-2,629
TOTAL RESERVE CONTRIBUTIO	22,748	22,759	11	0%	113,741	113,792	51	0%	273,105	159,364
RESERVE EXPENDITURES										
74200 REPLACEMENT RESERVE EXPEN	-500	0	500	0%	-500	0	500	0%	0	500
74210 TRANSFER FROM REPLACEMENT	500	0	-500	0%	500	0	-500	0%	0	-500
TOTAL RESERVE EXPENDITURE	0	0	0	0%	0	0	0	0%	0	0
NET SURPLUS OR DEFICIT	16,161	16	16,145	999%	40,405	-3,045	43,450	999%	0	-40,405



THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDO INC
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OPERATING CASH			
11203	Oper. Cash-Alliance Bank	110,073.07	

	TOTAL OPERATING CASH		110,073.07
OPERATING SAVINGS CASH			
13655	Suntrust CD 1.59%	103,800.51	

	TOTAL OPERATING SAVINGS CASH		103,800.51

	TOTAL OPERATING CASH		213,873.58
ACCOUNTS RECEIVABLE			
11320	Delinquent - Res. Assessments	8,712.00	
11366	Delinquent - Late Fees	363.50	
11400	Accounts Receivable	200.00	
11465	A/R Laundry Income	2,500.00	
11482	Due (To)/From Reserves	196,322.93	
11501	Deferred Health Care Tax Credit	12,848.00	

	TOTAL ACCOUNTS RECEIVABLE		220,946.43
PREPAID EXPENSES			
12410	POL 10/5/15-10/5/16	9,560.98	
12410	POL 10/2015-10/2016	1,635.87	

	TOTAL PREPAID EXPENSES		11,196.85

	TOTAL CURRENT ASSETS		446,016.86
FUNDED RESERVES			
13220	Wells Fargo MMKT	137,588.67	
13220	Suntrust MMKT	6,055.66	
13220	Alliance Bank MMKT	198,034.99	
13250	Suntrust CD 11/07/16 0.67%	103,490.47	
13250	Congressional Bank CD 2/22/16 1.24%	103,300.40	
13250	Capital One CD 6/14/18 0.9%	225,000.00	
13258	Cdars	957,970.93	
13690	Accrued Interest Reserves	1,487.04	
13219	Due/From Operating Fund	-196,322.93	

	TOTAL FUNDED RESERVES		1,536,605.23
FIXED ASSETS			



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14200	Building-Units 111 and 321	124,516.50	
14205	Accumulated depreciation-Building	-124,516.50	
14350	Equipment	22,665.13	
14355	Accumulated depreciation-Equipment	-12,951.52	

	NET FIXED ASSETS		9,713.61

	TOTAL ASSETS		1,992,335.70
			=====
	LIABILITIES		
	CURRENT LIABILITIES		
	ACCOUNTS PAYABLE CONTRACTS		
20080	Uniforms	348.18	
20100	Trash Removal	764.20	
20130	Landscaping	1,298.56	

	TOTAL ACCOUNTS PAYABLE		2,410.94
	ACCRUED EXPENSES		
20400	Electricity	16,188.96	
20405	Gas	8,502.04	
20415	Water/Sewer	11,263.00	
21200	Payroll Accrual	16,581.00	
21112	Accrued Vacation	6,185.20	

	TOTAL ACCRUED EXPENSES		58,720.20
	OTHER CURRENT LIABILITIES		
21910	Security Deposits	2,100.00	
22120	Prepaid-Residential Assessments	16,247.75	
22150	Prepaid-Parking Assessments	230.00	

	TOTAL OTHER CURRENT LIABILITIES		18,577.75

	TOTAL LIABILITIES		79,708.89
	MEMBER'S EQUITY		
	RESERVES		
	RESERVE FOR REPLACEMENTS		
32200	Beginning Balance	1,438,777.29	
32205	Current Year Additions	113,792.00	



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32208	Current Year Rsrv Interes	-2,680.05	
32210	Current Year Disbursements	-14,771.05	

	Total Reserve for Replacement		1,535,118.19

	TOTAL RESERVES		1,535,118.19
	FUND BALANCE		
32420	Association Equity	337,103.42	
	Current Year fund Balance	40,405.20	

	TOTAL FUND BALANCE		377,508.62

	TOTAL MEMBERS EQUITY		1,912,626.81

	TOTAL LIABILITIES & EQUITY		1,992,335.70
			=====

Declaration-CC&Rs
Dupont East Condominium

Declaration

DECLARATION

ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP
FOR PREMISES LOCATED AT 1545-18TH STREET, N.W.
WASHINGTON, D.C.

PURSUANT TO DISTRICT OF COLUMBIA CONDOMINIUM ACT OF 1976

Section 1. Submission of Property. The Dupont, Inc. a Delaware corporation ("Declarant"), owner of the land located at 1545-18th Street, N.W., District of Columbia, and more particularly described in Exhibit A annexed hereto ("Land"), hereby submits the Land, together with the buildings and improvements erected thereon and all easements, rights and appurtenances thereunto belonging and all other property, personal or mixed, intended for use in connection therewith owned by the Declarant in fee simple ("Property"), to the provisions of the District of Columbia Condominium Act of 1976 (the "Condominium Act") and hereby creates with respect to the Property a plan of condominium ownership to be known as the Dupont East Condominium ("Condominium").

Section 2. Definitions. As provided in Section 206 of the Condominium Act as in effect on the date of recordation of this Declaration, capitalized terms not otherwise defined herein or in the other Condominium Instruments shall have the meanings specified in Section 102 of the Condominium Act. The following terms as used herein and in the other Condominium Instruments shall have the following meanings:

a. Board of Directors: the Executive Organ as defined in Section 102(m) of the Condominium Act.

b. Building: the building and other improvements erected on the Land.

c. Bylaws: the rules for the governance of the Condominium attached hereto as Exhibit B, as the same may be amended from time to time.

d. Common Elements: the Common Elements consist of the entire Property, other than the Units, and include, without limitation unless otherwise provided herein, the following:

i. the Land;

ii. all foundations, columns, girders, beams and supports of the Building;

iii. all exterior walls of the Building, all walls, floors and ceilings enclosing a Unit (except those portions of such walls, floors and ceilings included as part of the Unit pursuant to the provisions of Section 4 of this Declaration), and all walls and partitions separating Units from hallways, lobbies, corridors, and stairways (except those portions of such walls included as part of a Unit pursuant to the provisions of Section 4 of this Declaration);

Recorded 2-8-79

iv. the roof, halls, lobbies, corridors, stairs, stairways, elevator shafts, elevators; laundry, meter, incinerator, boiler, mechanical, telephone, maintenance, trash disposal, air conditioning equipment and storage rooms; entrances and exits of the Building;

v. those pumps, pipes, wires, cables, conduits, and other apparatus relating to the water distribution, power, light, telephone, sewer, heating and air-conditioning and plumbing systems serving more than one Unit and/or any portion of the Common Elements, regardless of the actual location thereof;

vi. all apparatus and installations existing in the Building or on the Property for common use or necessary or convenient to the existence, the common maintenance, or the safety of the Property;

vii. all surface driveway and walkway areas and exterior landscaping, subject to the provisions of Section 3b. of this Declaration.

e. Condominium Act: The District of Columbia Condominium Act of 1976 as the same may be amended from time to time.

f. Condominium Plat: the plats and plans described in Section 214 of the Condominium Act and recorded in the office of the Surveyor of the District of Columbia on 1978, in Condominium Book ___ page ___. The term "General Common" on the Condominium Plat indicates Common Elements that are not Limited Common Elements.

g. Land: the real property, exclusive of the Building thereon, at the time submitted to the Condominium Act, being the real property described in Exhibit A.

h. Majority of the Unit Owners: except as otherwise specifically provided in the Condominium Instruments, the owners of more than fifty percent (50%) of the aggregate Ownership Interests in the Condominium voting in person or by proxy at one time at a duly convened meeting at which a quorum is present. Any specified percentage of the owners means the Unit Owners owning such Ownership Interests in the aggregate.

i. Managing Agent: a professional managing agent employed by the Unit Owners' Association to perform such duties as the Board of Directors shall authorize in accordance with the Condominium Instruments.

j. Mortgage: any recorded first deed of trust or first mortgage encumbering a Condominium Unit.

k. Mortgagee: any mortgagee under a first Mortgage or trustee or beneficiary under a first deed of trust.

l. Ownership Interest: the undivided ownership interest in each Unit Owner in the Common Elements, Common Expenses, and Common Profits as set forth in Exhibit C annexed hereto.

m. Property: the Land, Building, all other improvements and structures thereon (including the Units and the Common Elements), all easements, rights and appurtenances thereunto belonging and all other property, personal or mixed, intended for use in connection therewith, owned by the Declarant in fee simple and submitted to the Condominium Act. References in the Condominium Instruments to "Property" shall at all times be deemed to refer to such portions of the Property as have been submitted to the Condominium Act at the time in question.

n. Rules and Regulations: those rules and regulations governing the conduct of occupants of Units adopted from time to time by the Board of Directors and deemed necessary for the enjoyment of the Property; provided, however, that the same do not conflict with the Condominium Act or the Condominium Instruments.

o. Unit Owner: one or more persons who own a Unit.

p. Unit Owners' Association: all of the Unit Owners, acting as a group in accordance with the Condominium Act, the Declaration and the Bylaws, shall constitute the Unit Owners' Association.

q. Units: the Condominium shall consist of two types of Units:

i. Apartment Units -- those units located in the Building other than those in the garage as shown on the Condominium Plat.

ii. Parking Units -- those units located in the parking garage of the Building and outside the garage, as shown on the Condominium Plat.

Reference in the Condominium Instruments to "Units" without specific reference to Apartment Units or Parking Units as such shall refer to both types of Units.

Section 3. Building, Parking Spaces, Storage Areas.

a. Building: the location, dimensions, and area of the Building is shown on the Condominium Plat. The Building has nine (9) stories, including a ground (first) floor and eight (8) above ground floors, and a below-ground level consisting of a parking garage and various boiler, mechanical, maintenance, laundry and storage rooms.

b. Parking Spaces: there are located below the ground floor of the Building thirty-eight (38) parking spaces, apportioned into a multi-space garage area; and there are located eleven (11) parking spaces outside the garage. The aforesaid parking spaces are designated by number on the Condominium Plat and are further designated as Parking Units pursuant to Section 4 of this Declaration. Such Parking Units shall be reserved for the exclusive use of the owners of such Parking Units. All paved areas necessary and appurtenant to such Parking Units and not assigned as a Parking Unit shall be part of the Common Elements.

c. Storage and Trash Disposal Areas. Storage and trash disposal areas within or adjacent to the Building shall be Common Elements except such areas that are within the boundaries of a Unit and shall be subject to such rules as the Board of Directors may establish for their use and maintenance; provided, however, that each Apartment Unit shall be entitled to the use of one below-ground level storage area as assigned by the Board of Directors.

Section 4. Units.

a. Units. Annexed hereto as Exhibit C is a list of all Units and their Identifying Numbers, all as shown more fully on the Condominium Plat, type and the Ownership Interest appurtenant to each Unit determined on the basis of par value. The locations of the Common Elements to which each Unit has direct access are shown on the Condominium Plat.

b. Dimensions of Units.

i. Apartment Units. Each Apartment Unit consists of the space bounded by the walls, floors and ceilings, if any, of such Unit as shown on the Condominium Plat, provided, however, that the wall, floor and ceiling materials, other than the finished surface thereof (such as paint, wallcoverings, ceramic, vinyl tile, decorative plaster, and wood floors), shall be Common Elements. Doors and windows in Apartment Units leading onto or into Common Elements shall be Common Elements.

ii. Parking Units.

(a) The Parking Units located in the multi-space parking garage as shown on the Condominium Plat shall consist of the space within the following boundaries:

(1) The upper boundary of such Parking Unit shall be the horizontal plane of the outermost unfinished surface of the ceiling of the garage, extended to an intersection with the vertical boundaries.

(2) The lower boundary of such Parking Unit shall be the horizontal plane of the top surface of the floor slab extended to an intersection with the vertical boundaries.

(3) The vertical boundaries of such Parking Unit shall be a vertical plane perpendicular to the center line of the stripe or other floor marking delineating each such Parking Unit extended to intersections with each other and with the upper and lower boundaries. If a wall rather than a stripe or other floor marking delineates a vertical boundary of such Parking Unit such boundary shall be the vertical plane of the finished surface of such wall extended to intersections with each other and with the upper and lower boundaries.

(b) The Parking Units located outside the garage as shown on the Condominium Plat shall consist of the space within the following boundaries:

(1) The lower boundary shall be the horizontal plane of the top unfinished surface of the parking lot or other facility extended to an intersection with the vertical boundaries.

(2) The vertical boundaries shall be the vertical plane perpendicular to the center line of the stripe or other ground marking delineating each such Parking Unit extended to intersections with each other and with the lower boundary. If a wall rather than a stripe or other floor marking delineates a vertical boundary of such Parking Unit such boundary shall be the vertical plane of the finished surface of such wall extended to intersections with each other and with the upper and lower boundaries.

iii. To the extent that walls, floors, or ceilings are designated as the boundaries of any Units, all lath, wallboard, plastering and other materials constituting any part of the unfinished surfaces thereof shall be deemed a part of such Units, while all other portions of such walls, floors or ceilings shall be deemed a part of the Common Elements.

iv. If any chutes, flues, ducts, conduits, wires, bearing walls, bearing columns, or any other apparatus lies partially within and partially outside of the designated boundaries of any Unit, any portions thereof serving only that Unit shall be deemed as part of that Unit, while any portions thereof serving more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements.

c. Relocation of Unit Boundaries and Subdivision of Units. Relocation of boundaries between the Units and subdivision of Units will be permitted subject to compliance with the provisions therefor in Article V, Section 7 of the Bylaws and in Sections 225 and 226 of the Condominium Act.

Section 5. Easements. In addition to the easements created by Sections 216, 221 and 222 of the Condominium Act, the following easements are hereby granted:

a. Easement to Facilitate Sales. All Units shall be subject to the statutory easement in favor of Declarant provided in Section 222 of the Condominium Act. The Declarant and its duly authorized agents, representatives, and employees, shall have the right, exercisable in the Declarant's sole discretion, to use any Units owned by Declarant as models, management offices or sales offices until such time as Declarant conveys title thereto to Unit Owners. Each Unit so utilized shall be a Unit within the meaning of this Declaration and the Condominium Act, and not part of the Common Elements. Declarant reserves the right to relocate the same from time to time within the Property. Upon relocation or sale of a model, management office or sales office, the furnishings thereof may be removed. Declarant further reserves the right to enter into certain agreements with other Unit Owners to lease their Units to the Declarant for use by the Declarant as model units, management offices, and/or sales offices. Declarant further reserves the right to maintain on the Property such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of Declarant.

b. Easement for Ingress and Egress Through Common Elements and Access to Units.

i. Each Unit Owner is hereby granted an easement in common with each other Unit Owner for ingress and egress through, and use and enjoyment of,

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all Common Elements. Each Condominium Unit is hereby burdened with and subjected to an easement for ingress and egress through, and use and enjoyment of, all Common Elements by persons lawfully using or entitled to the same.

11. Declarant reserves in favor of Declarant and the Managing Agent and/or any other person authorized by the Board of Directors the right of access to any Unit as provided in Section 307(a) of the Condominium Act and Article V, Section 9 of the Bylaws. In case of emergency, such entry shall be immediate whether the Unit Owner is present at the time or not.

Section 6. Amendment of Declaration. No amendment of this Declaration may be made without the prior written approval of the Mortgagees where such approval is provided for in Article VIII, Section 5 of the Bylaws or where such approval is required elsewhere in the Condominium Instruments or by the Condominium Act.

Section 7. Right to Lease or Sell Units. Declarant shall retain title to each Unit not sold to any purchaser. Declarant retains the right to enter into leases with any third parties for the occupancy of any of the Units so retained by Declarant and not so sold to any purchaser. Declarant further reserves the right, to be exercised in its sole discretion, to offer Parking Units on a priority basis in the following order: (a) to purchasers of Apartment Units who as tenants have occupied the Building and, in the event of any unsold Units after such offers, to (b) other purchasers of Apartment Units.

Section 8. Conflicts and Construction. In the event of any conflict between the Condominium Instruments, this Declaration shall control; but particular provisions shall control more general provisions, except that a construction conformable with the Condominium Act shall in all cases control over any construction inconsistent therewith.

non

IN WITNESS WHEREOF, the said The Dupont, Inc. has caused these presents to be signed with its corporate name by Peter N. G. Schwartz, its President, attested by Marvin Price, its Secretary, and its corporate seal to be hereto attached, and does hereby appoint Peter N. G. Schwartz its attorney-in-fact to acknowledge and deliver these presents as its act and deed, this _____ day of _____, A.D., 1978, for the purposes herein expressed.

ATTEST:

THE DUPONT, INC.
A Delaware Corporation

By: _____
Secretary

By: _____
President

(CORPORATE SEAL)

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artz,
er

CERTIFICATE

This is to certify that the foregoing and annexed Declaration was duly executed and delivered pursuant to, and in strict conformity with, the provisions of a Resolution of the Board of Directors and of the Stockholders of The Dupont, Inc. passed at a regularly called meeting of said Board of Directors and of the Stockholders, and that a quorum was present at said meeting.

Secretary

CITY OF WASHINGTON)
 ss:
DISTRICT OF COLUMBIA)

I HEREBY CERTIFY that on this _____ day of _____, 1978, before me, the subscriber, a Notary Public in and for the District of Columbia, personally appeared Peter N. G. Schwartz, who, being duly, sworn, did depose and say that he is the President of and attorney-in-fact for The Dupont, Inc., the corporation named in the foregoing Declaration, and that by virtue of authority conferred upon him, acknowledged such instrument to be the act and deed of The Dupont, Inc.

WITNESS my hand and notarial seal.

Notary Public

My Commission expires: _____

18. Presale Contingency. This Agreement may, in the sole option of Seller, be declared null and void if Seller shall not have entered into binding contracts for the sale of not less than one hundred thirty-seven (137) Apartment Units in the Condominium Project on or before December 31, 1979. Seller may exercise this option by giving notice on or before the aforesaid date to the Purchaser as provided in Paragraph 24 of this Agreement and tendering to Purchaser refund of his deposit in full. Seller shall thereafter, upon repayment of Purchaser's deposit plus any accrued interest, be relieved of all further liability hereunder.

19. Merger. This Agreement expresses the parties' entire agreement. No representations, warranties, conditions or statements, oral or written, not contained herein or incorporated by reference shall be considered a part of this Agreement. This Agreement may not be altered, enlarged, modified or changed except by an instrument in writing executed by all the parties. The acceptance of the delivery of the deed at the time of settlement shall constitute an acknowledgement of full compliance by the Seller with the terms of this Agreement. Except for Paragraphs 1, 2, 15, 16, 17, 19 and 20 which shall survive the deed, none of the other terms of this Agreement shall survive the delivery and acceptance of the deed and, except as specifically provided above, the other terms of this Agreement shall be merged into and extinguished by the delivery of the deed at the time of settlement.

20. The Purchaser agrees and acknowledges that he has received a copy of the Public Offering Statement referred to herein which copy is a current Public Offering Statement issued pursuant to the Condominium Act of the District of Columbia for The Dupont Condominium, Registration Number _____; a copy of the proposed Declaration with Exhibits _____ through _____ attached thereto; and a copy of the Bylaws of the Condominium Unit Owners Association as of the date of this Agreement.

21. This Agreement, together with any application submitted by Purchaser to Seller, and any express references to the Public Offering Statement, constitutes the entire agreement between the parties. No representations, warranties, undertakings, promises, claims, advertising or promotional activities, made or conducted by Seller or Seller's agents or representatives, whether oral, implied or otherwise, shall be binding upon Seller unless the same are expressly set forth in this Agreement or in a subsequent written agreement executed by Seller. All amendments, schedules or riders hereto, if any, shall be in writing and executed by both parties.

No representations or agreements with respect to modifications or changes in the Unit or extras required or requested by Purchaser will be recognized unless such representations or agreements are in writing and signed by the parties, and payment for such modifications, changes or extras is made at the time of the execution of such writing.

22. Purchaser represents that this Agreement is through the Seller's agent, Shannon & Luchs Company ("Agent") and that no other person would be entitled to be paid any commission. The Seller agrees to pay Agent a commission in the amount previously agreed upon by Seller and Agent. Said commission is hereby assigned to the Agent by the Seller out of the proceeds of the sale, and the party through whom settlement hereunder is made is hereby authorized and directed to deduct the aforesaid from the proceeds of the sale and to make payment thereof directly to the Agent. The Agent hereby agrees to the within commission schedule.

23. Whenever by the terms of this Agreement any notice is required to be given, notice shall be conclusively considered given when deposited in an envelope in the United States mail, postage prepaid, certified mail, return receipt requested to the Seller's Agent or to the Purchaser at the addresses given below. Such designation may be changed by either of the parties by written notice to all other parties.

24. Purchaser hereby declares and warrants that Purchaser's intention is to occupy the Apartment Unit which is being purchased herein as a primary year-round residence. Notwithstanding the provisions of paragraph 5 or any other provisions of this Agreement, in the event Purchaser has made this declaration and warranty in bad faith or in the event that at any time prior to settlement Purchaser knows or has reason to know that it is not his intention to occupy the Apartment Unit as a primary year-round residence, the Seller shall have the sole right at its option to cancel and terminate this Agreement and the deposit may be retained at the option of the Seller as liquidated damages.

25. Purchaser's Right to Cancel. YOU HAVE THE RIGHT TO CANCEL THIS AGREEMENT FOR ANY REASON BY GIVING WRITTEN NOTICE TO THE SELLER WITHIN FIFTEEN (15) DAYS OF THE DATE OF THIS AGREEMENT OR WITHIN 15 DAYS AFTER DELIVERY TO YOU OF THE CURRENT PUBLIC OFFERING STATEMENT, WHICHEVER IS LATER. WRITTEN NOTICE OF CANCELLATION SHALL BE GIVEN BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AS PROVIDED IN PARAGRAPH 23 OF THIS AGREEMENT.

Derecho del Comprador a Terminar el Contrato. UD TIENE EL DERECHO A DAR POR TERMINADO ESTE CONTRATO POR CUALQUIER RAZON, MEDIANTE NOTIFICACION POR ESCRITO HECHA AL VENDEDOR, DENTRO DE UN PLAZO DE QUINCE (15) DIAS, CONTADOS A PARTIR DE LA FECHA QUE OCURRA POSTERIORMENTE, SEA ESTA O LA FECHA DE ESTE CONTRATO, O LA FECHA ENQUE EL DOCUMENTO DE OFERTA AL PUBLICO LE ES ENTREGADO A UD. LA NOTIFICACION DE TERMINACION POR ESCRITO DEBERA SER HECHA POR CORREO CERTIFICADO CON PAPELETA DE ACUSO DE RECIBO ("CERTIFIED MAIL, RETURN RECEIPT REQUESTED"), TAL COMO LO ESTIPULA EN PARRAFO 23 DE ESTE CONTRATO.

We, the undersigned, hereby ratify, accept and agree to the above and acknowledge it to be our Agreement.

te

PURCHASER(S):

by

y
d

Address:

Telephone: Office:

Residence:

Soc. Sec. No.

SELLER:

THE DUPONT, INC.

By:

Sales Agent
SHANNON & LUCHS CO.
1820 MacArthur Boulevard
Washington, D.C. 20007

RECEIPT OF PUBLIC OFFERING STATEMENT

Dupont East Condominium

The undersigned Purchaser hereby acknowledges receipt on the date indicated a copy of the Public Offering Statement, which the Declarant, through its Agent, certifies is a true copy of the Public Offering Statement filed with and registered with the Administrator of the Neighborhood Improvement Administration of the Department of Housing and Community Development of the District of Columbia.

Date

PURCHASER

PURCHASER

DECLARANT
THE DUPONT, INC.

By: _____
Sales Agent
SHANNON & LUCHS CO.

THE DUPONT EAST CONDOMINIUM

SCHEDULE A
TO THE PURCHASE AGREEMENT

COMPLETE RENOVATION PACKAGE

New kitchens include:

Magic Chef double gas ovens with continuous clean feature and double glass door and range hood. Model 218A-SBLW

TIERS 01,15,16 will have single gas ovens. TIER 01 - Sunray Model SSE24 HA-O TIERS 15 and 16 - Magic Chef Model 318A - 11LW

G.E. 16 cu. ft. frost free refrigerator. Model TBF 16 SA

G.E. two cycle dishwasher with energy saving feature. GSD300

EMERSON one-half h.p. disposal. Model # E40

Triange Pacific cabinets in light wood finish with oak doors.

Plastic laminated counter top color coordinated with appliance color.

New fluorescent light fixtures.

Wood louver door partition with sliding panel separating kitchen from dining area.

TIERS 04,05,15,16 Partition will not have sliding doors.

Armstrong Solarian "No Wax" flooring.

Stainless Steel Sink, Faucet and Fixtures.

Upgrade baths include:

Vanity with marblized sink top and new hardware.

New medicine cabinet.

New light fixture.

Choice of vinyl wall coverings.

New shower heads.

Entire apartment will be repainted in off white color, enamel paint in kitchen and on all trim.

Parquet flooring throughout to be sanded and refinished with two coats of polyurethane. Dark stain or carpet available for additional charge.

Mini-blinds in off white color installed on all windows.

New light fixtures in dining room and new light shade in bedroom (not applicable to efficiencies).

New lower lock and new cylinder on upper lock on front door.

Inspection of convactor units and cleaning. repair or replacement of faulty parts

Replacement of broken glass and damaged screens on windows.

Complete mechanical punchout.

Seller reserves the right to substitute, in its sole discretion, appliances, furnishings and improvements of a type, quality and appearance substantially similar or superior to those items specifically listed above.

THIS DEED

Made this day of in the year 19 , by and
between

THE DUPONT, INC.

a body corporate under and by virtue of the laws of the State of Delaware, acting herein pursuant to a resolution of its Board of Directors, party of the first part, and

part of the second part:

WITNESSETH: that for and in consideration of the sum of Ten Dollars (\$10.00), receipt whereof is hereby acknowledged, the said party of the first part does grant unto the said part of the second part, in fee simple, the following described land and premises, situate in the District of Columbia, and known and distinguished as:

SEE ATTACHED SCHEDULE "A"

together with all and singular the ways, easements, rights, privileges and appurtenances to the same belonging or in anywise appertaining, and all the estate, right, title interest, and claim, either at law or in equity, or otherwise however, of the said party of the first part, of in, to, or out of the said land and premises.

AND the said party of the first part covenants that it will warrant specially the property hereby conveyed, and that it will execute such further assurances of said land as may be requisite.

IN TESTIMONY WHEREOF, the said party of the first part, on the day and year first hereinbefore written, has had its corporate seal hereto attached, and caused these presents to be signed with its corporate name by PETER N. G. SCHWARTZ its President, attested by MARILYN M. ANGELINO its Assistant Secretary, and has appointed the said PETER N. G. SCHWARTZ to be its attorney, the same to acknowledge and deliver according to law.

THE DUPONT, INC.

(CORPORATE SEAL)

By: PETER N. G. SCHWARTZ

Attest: MARILYN M. ANGELINO

DISTRICT OF COLUMBIA

to wit:

I, _____, a Notary Public in and for the District of Columbia, do hereby certify that PETER N. G. SCHWARTZ who is personally well known to me as the person named as attorney in fact in the foregoing Deed, bearing date on the day of _____, A.D. 19____, and hereto annexed, personally appeared before me in said District and as attorney in fact as aforesaid, and by virtue of the authority vested in him by said Deed, acknowledged the same to be the act and deed of the grantor therein

GIVEN under my hand and seal this _____ day of _____ A.D. 19____.

Notary Public

I HEREBY CERTIFY THAT the foregoing and annexed Deed was executed and delivered pursuant to and in strict conformity with the provisions of a resolution of the Board of Directors of

THE DUPONT, INC.

a corporation passed at a regularly called meeting of said Board of Directors, and that a quorum was present at said meeting.

MARILYN M. ANGELINO,
Assistant Secretary

SCHEDULE "A"

[Apartment][Parking] Unit numbered , in the Dupont East Condominium, 1545 18th Street, N.W., in the condominium subdivision made by The Dupont, Inc. situated on Lot , Square 156 as per plat recorded in Condominium Book No. , at page of the records of the Office of the Surveyor for the District of Columbia and in accordance with the Declaration recorded as Instrument No. with the Office of Recorder of Deeds for the District of Columbia.

Together with all of the appurtenances incident to said Unit as contained in said Declaration of Condominium; subject, however, to all restrictions appearing on record and to all the terms, provisions, restrictions, easements, and conditions as contained in said Declaration of Condominium and the Bylaws relating thereto which the party or parties of the second part assume(s) and agree(s) to observe and perform, including, but not limited to the payment of any assessments for the maintenance and operation of said Condominium Unit, as evidenced by his, her, or their signatures hereto affixed.

RECEIPT OF PUBLIC OFFERING STATEMENT

DUPONT EAST CONDOMINIUM

The undersigned hereby acknowledges receipt on the date indicated of a copy of the Public Offering Statement, which the Declarant, through its Agent, certifies is a true copy of the Public Offering Statement filed with the Administrator of the Neighborhood Improvement Administration of the Department of Housing and Community Development of the District of Columbia.

Date

Declarant
The Dupont, Inc.

By: SHANNON & LOCHS CO.

Sales Agent

DATE

Insurance Dec Page
Dupont East Condominium

ACORDTM**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

10/02/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services LLC 3190 Fairview Park Drive Suite 400 Falls Church, VA 22042-4546	CONTACT NAME: USI INSURANCE SERVICES, LLC PHONE (A/C, No, Ext): 703 698-0788 FAX (A/C, No): 610 362-8377 E-MAIL ADDRESS: usi.certrequest.com														
INSURED Dupont East Condominium Association c/o CFM Management Services 5250 Cherokee Avenue, Suite 100 Alexandria, VA 22312	<table border="1"> <thead> <tr> <th data-bbox="816 426 1437 451">INSURER(S) AFFORDING COVERAGE</th> <th data-bbox="1437 426 1572 451">NAIC #</th> </tr> </thead> <tbody> <tr> <td data-bbox="816 451 1437 478">INSURER A : Hanover American Insurance Comp</td> <td data-bbox="1437 451 1572 478">36064</td> </tr> <tr> <td data-bbox="816 478 1437 506">INSURER B : Continental Casualty Company</td> <td data-bbox="1437 478 1572 506">20443</td> </tr> <tr> <td data-bbox="816 506 1437 533">INSURER C :</td> <td data-bbox="1437 506 1572 533"></td> </tr> <tr> <td data-bbox="816 533 1437 560">INSURER D :</td> <td data-bbox="1437 533 1572 560"></td> </tr> <tr> <td data-bbox="816 560 1437 588">INSURER E :</td> <td data-bbox="1437 560 1572 588"></td> </tr> <tr> <td data-bbox="816 588 1437 615">INSURER F :</td> <td data-bbox="1437 588 1572 615"></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Hanover American Insurance Comp	36064	INSURER B : Continental Casualty Company	20443	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER C :															
INSURER D :															
INSURER E :															
INSURER F :															

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ZZR888451305	10/05/2015	10/05/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Building			ZZR888451305	10/05/2015	10/05/2016	\$26,409,614/RC 100%
B	Crime/Fidelity			0250882507	10/05/2015	10/05/2016	\$2,000,000/\$15,000 Ded

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Type of Coverage: Single Entity Coverage for unit interior to original plans and specs. Coverage is extended to common areas and amenities.

Improvements & Betterments: Excluded

(See Attached Descriptions)

CERTIFICATE HOLDER**CANCELLATION****FOR EVIDENCE OF INSURANCE**

For individual COI requests

fax: 610-362-8377 OR

email: usi.certrequest.com OR

www.usicondo.com

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Stephen W. Dickinson

DESCRIPTIONS (Continued from Page 1)

Personal Belongings: Excluded

Unit owner should purchase an HO-6 policy for improvements and personal belongings/liability, etc.

Causes of Loss: Special Form

Replacement Cost: 100%

Coinsurance: Does not apply

Property Deductible: \$5,000

Number of Units: 195

Inflation Guard: Not included

Wind/hail: Not excluded

Cancellation Provision: 10 days for non-payment and 30 days for any other reasons. The carrier will only notify the named insured.

Ordinance/Law Coverage

Policy #ZZR888451305

Carrier: Hanover American Insurance Company

Effective dates: 10/05/2015 10/05/2016

Limits: Undamaged portion: Full building coverage

Increased Cost of Construction: \$1,000,000

Demolition: \$1,000,000

Boiler & Machinery (Equipment Breakdown)

Policy #ZZR888451305

Carrier: Hanover American Insurance Company

Effective dates: 10/05/2015 10/05/2016

Limit: Included in building limit

Separation Of Insureds clause included on GL policy # ZZR888451305.

The Fidelity bond includes coverage for the contracted Property Manager: CFM Management Services & Its employees

Reserve Study
Dupont East Condominium

Component List and Cash Flow Analysis

Notes	Item	Quantity	Unit	Unit Cost	Falcon Total Cost	Downey Total Cost	Normal Useful Life	Remaining Useful Life	Property Age/Year						
									52 2012	53 2013	54 2014	55 2015	56 2016	57 2017	58 2018
	Site														
1	Waterproof planters100&plants25	2,000	sf	\$25	\$125,000	\$50,000	40	1		\$0	\$125,000				
2	Perimeter iron fence*	140	lf	\$27	\$3,800	\$15,000	40	35							
2a	Concrete Walkway & Curb	630	lf	\$25	\$15,750		30	26							
3	Irrigation system*	1	ls	\$10,000	\$0	\$10,000	20								
4	Landscaping refurbishment*	1	ls	\$10,000	\$0	\$10,000	10								
5	Retaining wall	175	sf	\$50	\$17,500	\$17,500	60	40							
6	Entrance flagstone*	320	sf	\$25	\$16,000	\$16,000	40	35							
7	Entrance canopy	1	ls	\$33,500	\$33,500	\$75,000	40	3				\$33,500			
	Pavements and Parking														
8	Struc/Bld.Leak/Garage/deck membrane	6,500	sf	\$45.00	\$397,000	\$260,000	40	1		\$0	\$392,000				
9	Sealcoat paving*link 7 yrs after# 8	900	sy	\$2	\$2,500	\$1,800	7	c # 8							
10	Overlay paving	900	sy	\$15	\$25,550	\$13,500	25	1		\$0	\$25,500				
11	Concrete structural repairs	1	ls	\$25,000	\$25,000	\$25,000	40	1		\$0	\$25,000				
11a	Garage Driveway Paving	185	sy	\$35	\$6,475		25	15		\$0	\$6,475				
12	Garage door*	1	ls	\$5,500	\$12,000	\$12,000	15	3				\$12,000			
	Building Exterior														
13	Tuckpointing and masonry repairs	4,950	ls	\$5	\$24,750		20	20	\$24,750			\$24,750			
13a	Tuckpointing and masonry repairs				\$260,000	\$100,000	20	2			\$0	\$130,000	\$130,000		
14	Caulking	14,000	lf	\$4	\$49,000	\$56,000	7	2				\$24,500	\$24,500		
15	Windows	1	ls	\$1,600,000	\$1,600,000	\$1,600,000	40	35							
16	Doors*	5	ea	\$1,500	\$7,500	\$6,000	30	3				\$7,500			
	Roofing														
17	Roof	145	sf	\$2,310	\$335,008	\$261,000	20	15							
17a	Roof Deck Anchors	1		\$48,000	\$48,000		20	15							
17b	Roof Deck Decking	1,215		\$25	\$30,375		15	1		\$30,375					
17c	Roof Skylight	1		\$7,500	\$7,500		30	15							
17d	Roof Deck Furnishings	1		\$7,500	\$7,500		8	4					\$7,500		
18	Roof Deck Structure (6)	1	ls	\$200,000		\$200,000	40	0							
	Vertical Transportation														
19	Elevator hoist equipment	2	ea	\$80,000	\$160,000	\$75,000	30	10							
20	Elevator controls and door operators	1	ls	\$75,000	\$75,000	\$100,000	30	16							
	Mechanical Equipment														
21	Cooling tower fill*	1	ls	\$10,000	incl 22	\$10,000	see notes								
22	Cooling tower	1	ls	\$65,000	\$75,000	\$125,000	20	18							

Component List and Cash Flow Analysis

Notes	Item	Quantity	Unit	Unit Cost	Falcon Total Cost	Downey Total Cost	Normal Useful Life	Remaining Useful Life	Property Age/Year						
									52 2012	53 2013	54 2014	55 2015	56 2016	57 2017	58 2018
23	Chiller	1	ls	\$245,000	\$245,000	\$200,000	20	20	\$245,000						
24	Boiler	1	ls	\$100,000	\$100,000	\$90,000	20	9							
25	Pumps 15 hp	3	ea	\$17,500	\$52,500	\$45,000	30	7							
26	Rebuild pumps	4	ea	\$2,000	\$8,000	\$8,000	7	7							\$8,000
27	Valves	12	ls	\$2,750	\$33,000	\$30,000	40	5						\$33,000	
28	Boiler room piping	1	ls	\$20,000	\$40,000	\$40,000	50	9							
29	Control system	1	ls	\$10,000	\$10,000	\$10,000	20	20	\$10,000						
30	HVAC Risers and piping (9)	1	ls	\$300,000	\$400,000	\$400,000	50	5							\$400,000
31	Corridor air handler	1	ls	\$30,000	\$30,000	\$40,000	20	8							
32	Lobby air handler	1	ls	\$13,000	\$13,000	\$20,000	20	18							
33	Garage Heaters (air handler)	3	ls	\$1,500	\$4,500	\$15,000	20	7							
34	Exhaust fans '(3)	22	ea	\$3,250	\$71,500	\$55,000	20	5						\$71,000	
34a	Laundry Exhaust Fan	1		\$2,500	\$2,500		15	5						\$2,500	
35	Clean exhaust ductwork*	30	ea	\$250	\$7,500	\$7,500	10								
36	Garage exhaust fans (4)	2	ea	\$3,000	\$6,000	\$6,000	30								
36a	Backup Generator	1		\$30,000	\$30,000		15	3				\$30,000			
37	Expansion tank	2	ls	\$5,000	\$10,000	\$4,000	50	2			\$10,000				
	Electrical														
38	Switchgear	1	ls	\$75,000	\$75,000	\$100,000	50	2			\$75,000				
39	Tighten electrical connections*	1	ls	\$5,000	N/A	\$5,000	5								
40	Electrical repairs and replacement*	1	ls	\$5,000	N/A	\$5,000	15								
41	Interior lights*	1	ls	\$12,500	\$12,500	\$10,000	20	7							\$12,500
42	Exterior lights*	1	ls	\$3,500	\$3,500	\$5,000	20	8							
43	Garage lights*	1	ls	\$10,000	\$10,000	\$3,000	30	1		\$0	\$10,000				
	Plumbing														
44	Hot water boiler	1	ls	\$22,090	\$105,000	\$40,000	20	13							
45	Heat exchanger '(5)	1	ls	\$32,000	\$32,000	\$25,000	50	2			\$32,000				
46	Hot water storage tank (1)	1	ls	\$22,090	\$22,090	\$5,000	30	30	\$22,090						
47	Domestic water booster pump	3	ls	\$7,500	\$22,500	\$20,000	30	10							
48	Domestic Water Supply Risers	1	ls	\$200,000			45								
49	Domestic Water Drain risers (2)	1	ls	\$310,000	\$400,000	\$300,000	50	7							
	Life Safety														
50	Fire alarm	1	ls	\$34,400	\$34,400	\$150,000	30	25							
51	Garage sprinklers	1	ls	\$7,500	\$7,500	\$5,000	50	49							
52	Sprinkler pipe repairs	1	ls	\$5,000	N/A	\$5,000	15								
	Miscellaneous														

Component List and Cash Flow Analysis

Notes	Item	Quantity	Unit	Unit Cost	Falcon Total Cost	Downey Total Cost	Normal Useful Life	Remaining Useful Life	Property Age/Year						
									52 2012	53 2013	54 2014	55 2015	56 2016	57 2017	58 2018
53	Access system	1	ls	\$8,900	\$8,900	\$15,000	15	13							
54	Laundry equipment*	1	ls	\$25,000	\$25,000	\$12,000	8	8	\$25,000						
54a	Laundry Rm & Hallway Flr & Paint	582		\$9	\$5,384				\$5,384						
54b	Large Washer & Dryer	1		\$8,000	\$8,000		8	8							
55	Trash compactor (11)	1	ls	\$25,000	\$25,000	\$25,000	20	3		\$0	\$25,000				
	Finishes														
56	Corridor paint*	55,000	sf	\$1.50	\$82,500	\$41,250	8	6						\$0	\$82,500
57	Corridor carpet *	1,700	sy	\$35	\$59,500	\$52,500	8	6						\$0	\$59,500
57a	Stair Treads	1		\$33,000	\$33,000		20	3				\$33,000			
57b	Unit 111 Rehab	1		\$35,000	\$35,000		25	18							
57c	Unit 321 Rehab	1		\$35,000	\$35,000		25	10							
58	Lobby redecoration	1	ls	\$60,000	\$60,000	\$65,000	15	10						\$0	
59	Lobby desk reconfiguration	1	ls	\$25,000	\$25,000	\$100,000	15	10						\$0	
60	Elevator cab finishes	2	ea	\$5,500	\$11,000	\$8,000	15	5						\$11,000	
61	Management office*	1	ls	\$7,500	\$7,500	\$25,000	15	10					\$0		
	Totals				\$5,568,481	\$5,031,050									
Totals in base year dollars									\$332,224	\$30,375	\$725,975	\$295,250	\$162,000	\$117,500	\$562,500
Totals with inflation										\$30,983	\$755,304	\$313,322	\$175,354	\$129,729	\$633,466
No. 8 inclcs. 25 legal & 75 parking										Total with 2%					

SF = square feet
LF = linear feet
SY = square yards
EA = each
LS = lump sum
Quantities are approximate.

Assumed Inflation rate = 2.0%
Base year = 2012
Year built = 1963

NOTES From Comparison to Downey Report

- * Engineering and oversight costs have been included in all figures except those marked with an *
- (1) Some of the ancillary costs were absorbed in the chiller replacement
- (2) This assumes that an epoxy lining will be applied to the domestic water supply lines, cost increased to \$400,000 to match proposal submissions
- "(3) This refers to the exhaust fans on the roof and this work needs to be done with the roof replacement
- (4) This system seems to have been abandoned
- (5) See original notes from the Downey study, this refers to separating the domestic hot water from the boiler during the winter months
- (6) This refers to the steel structure supporting the roof deck. Falcon reports it as a wooden structure but offers no costs for maintaining or replacing. Downey recommends maintaining the steel by painting when necessary.

Component List and Cash Flow Analysis

Notes	Item													
		59 2019	60 2020	61 2021	62 2022	63 2023	64 2024	65 2025	66 2026	67 2027	68 2028	69 2029	70 2030	71 2031
	Site													
1	Waterproof planters100&plants25													
2	Perimeter iron fence*													
2a	Concrete Walkway & Curb													
3	Irrigation system*													
4	Landscaping refurbishment*													
5	Retaining wall													
6	Entrance flagstone*													
7	Entrance canopy													
	Pavements and Parking													
8	Struc/Bld.Leak/Garage/deck membrane													
9	Sealcoat paving*link 7 yrs after# 8			\$2,500							\$2,500			
10	Overlay paving													
11	Concrete structural repairs													
11a	Garage Driveway Paving													
12	Garage door*												\$12,000	
	Building Exterior													
13	Tuckpointing and masonry repairs													
13a	Tuckpointing and masonry repairs													
14	Caulking			\$49,000							\$49,000			
15	Windows													
16	Doors*													
	Roofing													
17	Roof									\$335,008				
17a	Roof Deck Anchors									\$48,000				
17b	Roof Deck Decking									\$30,375	\$0			
17c	Roof Skylight									\$7,500				
17d	Roof Deck Furnishings						\$7,500							
18	Roof Deck Structure (6)													
	Vertical Transportation													
19	Elevator hoist equipment				\$160,000									
20	Elevator controls and door operators										\$100,000			
	Mechanical Equipment													
21	Cooling tower fill*													
22	Cooling tower												\$75,000	

Component List and Cash Flow Analysis

Notes	Item													
		59 2019	60 2020	61 2021	62 2022	63 2023	64 2024	65 2025	66 2026	67 2027	68 2028	69 2029	70 2030	71 2031
23	Chiller													
24	Boiler			\$100,000										
25	Pumps 15 hp	\$52,500												
26	Rebuild pumps							\$8,000						
27	Valves													
28	Boiler room piping			\$40,000										
29	Control system													
30	HVAC Risers and piping (9)													
31	Corridor air handler		\$30,000											
32	Lobby air handler												\$13,000	
33	Garage Heaters (air handler)	\$4,500												
34	Exhaust fans '(3)									\$0				
34a	Laundry Exhaust Fan													
35	Clean exhaust ductwork*													
36	Garage exhaust fans (4)													
36a	Backup Generator												\$30,000	
37	Expansion tank													
	Electrical													
38	Switchgear													
39	Tighten electrical connections*													
40	Electrical repairs and replacement*													
41	Interior lights*													
42	Exterior lights*		\$3,500											
43	Garage lights*													
	Plumbing													
44	Hot water boiler							\$105,000						
45	Heat exchanger '(5)													
46	Hot water storage tank (1)													
47	Domestic water booster pump				\$22,500									
48	Domestic Water Supply Risers													
49	Domestic Water Drain risers (2)		\$400,000											
	Life Safety													
50	Fire alarm													
51	Garage sprinklers													
52	Sprinkler pipe repairs													
	Miscellaneous													

Component List and Cash Flow Analysis

Notes	Item													
		59 2019	60 2020	61 2021	62 2022	63 2023	64 2024	65 2025	66 2026	67 2027	68 2028	69 2029	70 2030	71 2031
53	Access system							\$8,900						
54	Laundry equipment*		\$25,000								\$25,000			
54a	Laundry Rm & Hallway Flr & Paint		\$5,384								\$5,384			
54b	Large Washer & Dryer		\$8,000								\$8,000			
55	Trash compactor (11)													
	Finishes													
56	Corridor paint*								\$82,500					
57	Corridor carpet *								\$59,500					
57a	Stair Treads													
57b	Unit 111 Rehab												\$35,000	
57c	Unit 321 Rehab				\$35,000									
58	Lobby redecoration			\$60,000					\$0				\$60,000	
59	Lobby desk reconfiguration			\$25,000					\$0				\$25,000	
60	Elevator cab finishes													
61	Management office*			\$7,500										
	Totals													
		\$57,000	\$471,884	\$284,000	\$217,500	\$0	\$7,500	\$121,900	\$142,000	\$420,883	\$189,884	\$0	\$250,000	\$0
		\$65,475	\$552,887	\$339,406	\$265,131	\$0	\$9,512	\$157,691	\$187,366	\$566,453	\$260,669	\$0	\$357,062	\$0
No. 8 incl. 25 legal & 75 parking		\$58,140	\$481,321	\$289,680	\$221,850	\$0	\$7,650	\$124,338	\$144,840	\$429,301	\$193,681	\$0	\$255,000	\$0

SF = square feet
LF = linear feet
SY = square yards
EA = each
LS = lump sum
Quantities are approximate.

NOTES From Comparison to Downey Re

- * Engineering and oversight costs have been in
- (1) Some of the ancillary costs were absorbed in
- (2) This assumes that an epoxy lining will be ap
- "(3) This refers to the exhaust fans on the roof an
- (4) This system seems to have been abandoned
- (5) See original notes from the Downey study, tl
- (6) This refers to the steel structure supporting t

Notes	Item												Totals in study period
		72 2032	73 2033	74 2034	75 2035	76 2036	77 2037	78 2038	79 2039	80 2040	2041	81 2042	
	Site												
1	Waterproof planters100&plants25												\$125,000
2	Perimeter iron fence*												
2a	Concrete Walkway & Curb							\$15,750					
3	Irrigation system*												
4	Landscaping refurbishment*												
5	Retaining wall												
6	Entrance flagstone*												
7	Entrance canopy												\$33,500
	Pavements and Parking												
8	Struc/Bld.Leak/Garage/deck membrane												\$392,000
9	Sealcoat paving*link 7 yrs after# 8				\$2,500							\$2,500	\$10,000
10	Overlay paving						\$25,500						\$51,000
11	Concrete structural repairs												\$25,000
11a	Garage Driveway Paving								\$6,475		\$6,475		
12	Garage door*												\$24,000
	Building Exterior												
13	Tuckpointing and masonry repairs			\$24,750									\$74,250
13a	Tuckpointing and masonry repairs			\$130,000	\$130,000								
14	Caulking			\$24,500	\$24,500							\$49,000	\$245,000
15	Windows												
16	Doors*												\$7,500
	Roofing												
17	Roof												\$335,008
17a	Roof Deck Anchors												
17b	Roof Deck Decking												
17c	Roof Skylight						\$0						
17d	Roof Deck Furnishings	\$7,500								\$7,500			
18	Roof Deck Structure (6)												
	Vertical Transportation												
19	Elevator hoist equipment												\$160,000
20	Elevator controls and door operators												\$100,000
	Mechanical Equipment												
21	Cooling tower fill*												
22	Cooling tower												\$75,000

Notes	Item												Totals in study period
		72 2032	73 2033	74 2034	75 2035	76 2036	77 2037	78 2038	79 2039	80 2040	2041	81 2042	
23	Chiller	\$245,000											\$490,000
24	Boiler										\$100,000		\$200,000
25	Pumps 15 hp												\$52,500
26	Rebuild pumps	\$8,000							\$8,000				\$32,000
27	Valves												\$33,000
28	Boiler room piping												\$40,000
29	Control system	\$10,000											\$20,000
30	HVAC Risers and piping (9)												\$400,000
31	Corridor air handler									\$30,000			\$60,000
32	Lobby air handler												\$13,000
33	Garage Heaters (air handler)								\$4,500				\$9,000
34	Exhaust fans '(3)						\$71,500						\$142,500
34a	Laundry Exhaust Fan	\$2,500											\$5,000
35	Clean exhaust ductwork*												
36	Garage exhaust fans (4)												
36a	Backup Generator												
37	Expansion tank												\$10,000
	Electrical												
38	Switchgear												\$75,000
39	Tighten electrical connections*												
40	Electrical repairs and replacement*												
41	Interior lights*							\$12,500					\$25,000
42	Exterior lights*									\$3,500			\$7,000
43	Garage lights*											\$10,000	\$20,000
	Plumbing												
44	Hot water boiler												\$105,000
45	Heat exchanger '(5)												\$32,000
46	Hot water storage tank (1)											\$22,090	\$44,180
47	Domestic water booster pump												\$22,500
48	Domestic Water Supply Risers												
49	Domestic Water Drain risers (2)												\$400,000
	Life Safety												
50	Fire alarm						\$34,400						\$34,400
51	Garage sprinklers												
52	Sprinkler pipe repairs												
	Miscellaneous												

Notes	Item												Totals in study period
		72 2032	73 2033	74 2034	75 2035	76 2036	77 2037	78 2038	79 2039	80 2040	2041	81 2042	
53	Access system									\$8,900			\$17,800
54	Laundry equipment*					\$25,000							\$100,000
54a	Laundry Rm & Hallway Flr & Paint					\$5,384							
54b	Large Washer & Dryer					\$8,000							
55	Trash compactor (11)			\$25,000									\$50,000
	Finishes												
56	Corridor paint*			\$82,500								\$82,500	\$330,000
57	Corridor carpet *			\$59,500								\$59,500	\$238,000
57a	Stair Treads				\$33,000								
57b	Unit 111 Rehab												
57c	Unit 321 Rehab												
58	Lobby redecoration									\$60,000			\$180,000
59	Lobby desk reconfiguration									\$25,000			\$75,000
60	Elevator cab finishes	\$11,000											\$22,000
61	Management office*	\$0					\$7,500					\$0	\$15,000
	Totals												
		\$284,000	\$0	\$346,250	\$190,000	\$38,384	\$138,900	\$28,250	\$18,975	\$134,900	\$106,475	\$225,590	\$4,957,138
		\$422,009	\$0	\$535,295	\$299,611	\$61,738	\$227,880	\$47,274	\$32,388	\$234,864	\$189,083	\$408,625	\$7,258,579
No. 8 inclcs. 25 legal & 75 parking		\$289,680	\$0	\$353,175	\$193,800	\$39,152	\$141,678	\$28,815	\$19,355	\$137,598	\$108,605	\$230,102	

SF = square feet
LF = linear feet
SY = square yards
EA = each
LS = lump sum
Quantities are approximate.

NOTES From Comparison to Downey Re

- * Engineering and oversight costs have been included
- (1) Some of the ancillary costs were absorbed in the main estimate
- (2) This assumes that an epoxy lining will be applied to the steel structure supporting the roof
- "(3) This refers to the exhaust fans on the roof and not the mechanical exhaust system
- (4) This system seems to have been abandoned
- (5) See original notes from the Downey study, titled "Roof Structure" for details
- (6) This refers to the steel structure supporting the roof

Funding Analysis with Current Contributions and Assessments

Age	Year	Total Inflated Costs	Reserve Fund			
			Beginning of Year Balance	Annual Assessment (note 1)	Additional Funds (note 2)	End of Year Balance
52	2012	\$332,224	\$878,312	\$192,000		\$738,088
53	2013	\$30,983	\$738,088	\$262,500	\$248,116	\$1,217,722
54	2014	\$740,495	\$1,217,722	\$267,750	\$121,362	\$866,339
55	2015	\$301,155	\$866,339	\$273,105		\$838,289
56	2016	\$165,240	\$838,289	\$278,567		\$951,616
57	2017	\$119,850	\$951,616	\$284,138		\$1,115,905
58	2018	\$573,750	\$1,115,905	\$289,821		\$831,976
59	2019	\$58,140	\$831,976	\$295,618		\$1,069,453
60	2020	\$481,321	\$1,069,453	\$301,530		\$889,662
61	2021	\$289,680	\$889,662	\$307,561		\$907,543
62	2022	\$221,850	\$907,543	\$313,712		\$999,405
63	2023	\$0	\$999,405	\$319,986		\$1,319,391
64	2024	\$7,650	\$1,319,391	\$326,386		\$1,638,126
65	2025	\$124,338	\$1,638,126	\$332,913		\$1,846,702
66	2026	\$144,840	\$1,846,702	\$339,572		\$2,041,434
67	2027	\$429,301	\$2,041,434	\$346,363		\$1,958,496
68	2028	\$193,681	\$1,958,496	\$353,290		\$2,118,105
69	2029	\$0	\$2,118,105	\$360,356		\$2,478,462
70	2030	\$255,000	\$2,478,462	\$367,563		\$2,591,025
71	2031	\$0	\$2,591,025	\$374,915		\$2,965,940
72	2032	\$289,680	\$2,965,940	\$382,413		\$3,058,673
73	2033	\$0	\$3,058,673	\$390,061		\$3,448,734
74	2034	\$353,175	\$3,448,734	\$397,862		\$3,493,421
75	2035	\$193,800	\$3,493,421	\$405,820		\$3,705,441
76	2036	\$39,152	\$3,705,441	\$413,936		\$4,080,225
77	2037	\$141,678	\$4,080,225	\$422,215		\$4,360,762
78	2038	\$28,815	\$4,360,762	\$430,659		\$4,762,606
79	2039	\$19,355	\$4,762,606	\$439,272		\$5,182,524
80	2040	\$137,598	\$5,182,524	\$448,058		\$5,492,984
81	2041	\$108,605	\$5,492,984	\$457,019		\$5,841,398
74	2042	\$230,102	\$5,841,398	\$466,159		\$6,077,455
Totals		\$5,781,354		\$10,374,962	\$369,478	

Assumed Inflation rate = 2.0%

Base year = 2012

Note 1: Annual assessment increases at two percent per year

Note 2: Additional funds are amount needed to keep positive end of year balance.

Note 3: Interest from reserve fund is reinvested in the reserve fund

Notes

General notes: Some items are replacements. Some items are major repairs. See the specific notes for each item.
Design and project management costs are included where appropriate.

Some items are not replaced in their entirety and some are not replaced during the study period. Items in *italics* have costs that are expected to occur beyond the study period.

Engineering consulting and project oversight fees have been included in the cost estimates. Items 2-4, 6, 9, 12, 16, 21, 35, 39-43, 54, and 56, 57, and 61 were assumed to be designed and managed by the board or the site manager and engineering/project oversight costs have not been included in these items.

	Site	
1	Waterproof planters100&plants25	Remove and replace the waterproofing membrane in the planters. This includes an allowance to improve the configuration of the planter drains.
2	Perimeter iron fence*	Install decorative iron fence at perimeter planters. While there is not presently a fence installed, a fence would improve the appearance and security of the property. This item was included at the request of the Board.
3	Irrigation system*	Install an irrigation system in the planter beds. While there is not presently an irrigation system installed, it would improve the operations of the property.
4	Landscaping refurbishment*	Allowance to replace major plantings.
5	Retaining wall	Remove and replace damaged retaining walls. Typically walls are replaced when there is substantial movement of the wall or the wall is out of plumb. The timing of replacement of retaining walls cannot be accurately predicted and has been based on the average lifespan of retaining walls.
6	Entrance flagstone*	Replace flagstone at the building entrance. It is assumed that flagstone will be periodically reset as a part of normal building maintenance.
7	Entrance canopy	Replace the entrance canopy.
	Pavements and Parking	
8	Struc/Bld.Leak/Garage/deck membrane	Remove and replace the waterproofing membrane over the garage. This will require removal of the paving and work at the edges of the planters.
9	Sealcoat paving*link 7 yrs after# 8	Seal cracks, apply surface sealer, re-stripe. This includes an allowance for repairs to the pavement.
10	Overlay paving	Mill edges and install hot mix overlay. Includes a repair allowance to replace damaged pavement.
11	Concrete structural repairs	Make repairs to damaged structure supporting the parking area. These repairs should be made after the leaks have been corrected.
12	Garage door*	Remove and replace the garage door and operator.

	Building Exterior	
13	Tuckpointing and masonry repairs	Remove and replace deteriorated mortar joints. This includes an allowance for brick replacement and flashing repairs.
14	Caulking	Remove and replace caulking at window perimeters and control joints.
15	Windows	Remove and replace windows.
16	Doors*	Remove and replace exterior service doors
	Roofing	
17	Roof	Remove and replace the roof membrane. There are presently two membranes on the roof and wet insulation between the membranes. Both roofs will have to be removed and a new roof installed.
18	Roof Deck Structure (6)	Remove and replace the metal structure that supports the roof deck. The life of the structure can be extended by painting areas of the structure as they rust.
	Vertical Transportation	
19	Elevator hoist equipment	Replace the elevator hoist machinery.
20	Elevator controls and door operators	Replace the elevator controls and equipment that opens the elevator doors.
	Mechanical Equipment	
21	Cooling tower fill*	Remove and replace the cooling tower fill. The fill is bundles of plastic panels that water flows over inside the tower to cool the water. The present fill is cracked and coated with heavy accumulations of
22	Cooling tower	Remove and replace the cooling tower. The fans and motors of the tower were recently rebuilt but the case and the sump of the tower are past their useful service lives and the fill is in need of replacement.
23	Chiller	Remove and replace the chiller.
24	Boiler	Remove and replace the boiler that heats the building.
25	Pumps 15 hp	Replace the pumps that circulate condenser water and chilled/hot water through the building.
26	Rebuild pumps	The pumps for the mechanical systems will require periodic replacement or repair of seals, shafts, and other parts.
27	Valves	Large control and isolation valves in the mechanical room will periodically require rebuilding or replacement due to age and corrosion.
28	Boiler room piping	The piping in the boiler room is original to the building and will eventually require replacement.
29	Control system	The original controls are partially functional and there have been several modifications to the controls for the HVAC system. An integrated control system would greatly simplify control of equipment and result in better operation of the HVAC system.
30	HVAC Risers and piping (9)	There have not yet been any significant leaks from the HVAC supply risers. Such leaks can be expected to occur over time and to become more frequent once they start to occur. Proper water treatment will greatly extend the life of the piping.

31	Corridor air handler	Remove and replace the air handler that supplies fresh air to the corridors.
32	Lobby air handler	Remove and replace the air handler that serves the lobby. This air handler is original to the building.
33	Garage Heaters (air handler)	Remove and replace the air handler that heats the garage. This air handler is original to the building.
34	Exhaust fans '(3)	Remove and replace rooftop exhaust fans.
35	Clean exhaust ductwork*	Clean the exhaust ductwork that serves the kitchen, bathroom, and clothes dryer exhaust. This will improve the air flow in the ductwork and the overall efficiency of the system.
36	Garage exhaust fans (4)	Remove and replace the garage exhaust and supply fans.
37	Expansion tank	Remove and replace the expansion tank for the piping that serves the convectors.
	Electrical	
38	Switchgear	Remove and replace the switchgear. The switchgear controls the electricity supplied to the building. It is difficult to locate replacement parts for this brand of equipment. When replacement parts cannot be located, the equipment will have to be replaced.
39	Tighten electrical connections*	Connections on major electrical equipment require periodic tightening and maintenance to maximize equipment life. This includes an allowance to replace damaged or degraded components found during tightening.
40	Electrical repairs and replacement*	This is an allowance to make repairs to electrical equipment and limited replacement of panels and disconnects.
41	Interior lights*	Replace interior light fixtures.
42	Exterior lights*	Replace exterior light fixtures.
43	Garage lights*	Replace garage light fixtures.
	Plumbing	
44	Hot water boiler	Remove and replace the boilers that heat domestic hot water during the summer months.
45	Heat exchanger '(5)	Remove and replace the heat exchanger that heats domestic hot water in the winter months from the main boilers.
46	Hot water storage tank (1)	Remove and replace the hot water storage tank.
47	Domestic water booster pump	Replace the domestic water booster pump system which supplies water to the top floors of the building. Presently, the pumps are manually controlled and at least one pump runs continuously. A system with better controls would reduce energy consumption.
48	Domestic Water Supply Risers	There have been a few leaks from the domestic water supply risers. These leaks will become more frequent as time progresses. Eventually the risers will have to be replaced or the cost of repairs and damage from leaks will become cost prohibitive.
49	Domestic Water Drain risers (2)	Remove and replace drain risers and piping. We have assumed that the drain piping will be replaced along with the supply piping to minimize the opening of and repairs to the walls to access the piping.

	Life Safety	
50	Fire alarm	Replace the fire alarm panel. This includes an allowance for limited repairs to devices and wiring.
51	Garage sprinklers	Sprinkler heads are required to be replaced or tested after 50 years in service.
52	Sprinkler pipe repairs	Allowance for repairs and limited replacement of the sprinkler piping in the garage.
	Miscellaneous	
53	Access system	Remove and replace entrance buzzer access system.
54	Laundry equipment*	Remove and replace washer and dryers.
55	Trash compactor (11)	Replace trash compactor.
	Finishes	
56	Corridor paint*	Repaint the walls and ceiling, and make repairs to the walls.
57	Corridor carpet *	Replace the carpeting in the corridors.
58	Lobby redecoration	Replace the entrance lobby finishes, flooring, and furnishings.
59	Lobby desk reconfiguration	Change the layout of the front desk to allow improved security and better use of the desk by staff and residents.
60	Elevator cab finishes	Replace elevator cab finishes.
61	Management office*	Replace the office furniture and equipment.
	Totals	

Rules and Regulations
Dupont East Condominium



DUPONT EAST CONDOMINIUM

Rules and Regulations

Revised April 25, 2007
Revised February 24, 2010
Revised March 7, 2012
January 22, 2014

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WHEREAS, Article III, Section 2 of the Dupont East Condominium Association Bylaws delegate to the Board of Directors all the powers and duties necessary for the administration of the affairs of the Condominium and further states that the Board may take all actions other than any that are required by the District of Columbia Condominium Act, the Declaration or the Bylaws to be exercised and done by the Unit Owner's Association; and

Whereas, Article III, Section 2(f) grants the Board of Directors the authority to make and amend the Association Rules & Regulations; and

Whereas, Article III, Section 2(i) grants the Board of Directors the authority to enforce by legal means the provisions of the Declaration, the Bylaws and the Rules & Regulations; and

Whereas, Article III, Section 2(o) grants the Board of Directors the authority to do such other things and acts not inconsistent with the District of Columbia Condominium Act, the Declaration, or the Bylaws; and

Whereas, the Board of Directors desires to implement a system of procedures and charges for violations of the **District of Columbia Condominium Act, the Declaration, the Bylaws** and these **Rules & Regulations (hereinafter collectively “the Documents”)** for the purpose of the quiet enjoyment of the Condominium by all residents, the health and safety of all residents, the proper maintenance of Association structural and mechanical systems, the discouraging of violations of these Documents and generally increasing the awareness of the contents and purpose of these Documents; and

Whereas, it is the intent of the Board of Directors to establish orderly procedures for the enforcement of the provisions of the Documents and to establish reasonable charges for violations of the Documents,

NOW, THEREFORE, BE IT RESOLVED that the following Rules & Regulations of the Dupont East Condominium Association are hereby adopted:

1.0 PERSONS BOUND

1.1. Every Unit Owner and all persons entitled to occupy a Unit shall comply at all times with the Documents. All future and current Unit Owners and their tenants, licenses, guests, invitees, servants, agents, contractors, employees and any other persons that shall be permitted the use of the Condominium common areas or any Unit therein shall be bound by and subject to the Documents. (See Bylaws Article I, Section 2).

1.2 The Unit Owner is responsible for any violation of the Documents by his/her tenants, licenses, guests, invitees, servants, agents, contractors and employees.

2.0 NOISE

2.1 Owners and Residents shall take appropriate measures to prevent noise and other annoying disturbances to other residents. Radios, sound conveying equipment, TV's, musical instruments and similar equipment shall be located and controlled in such a manner as not to constitute a nuisance or disturbance to other residents. Any sound produced in one unit cannot be heard in another. Please treat your neighbors with common courtesy and common decency.

2.2 Special care shall be taken to insure that noise is controlled between the hours of 11:00p.m. and 8:00 a.m. This also applies to the common areas.

3.0. ADMITTANCE PROCEDURES TO THE DUPONT EAST PREMISES

3.1 For security purposes, the Dupont East desk clerks have been instructed to announce all visitors by name. Persons not known to reside in the Dupont East or unfamiliar to the desk staff shall be challenged and required to identify themselves prior to admission to the building. Residents should advise their guests of the Dupont East policy regarding visitors to avoid problems and embarrassing situations.

3.2 The front desk attendant will admit residents and visitors to the lobby and before allowing them to leave the lobby is required to verify that they are a resident or have permission via submittal of an admit slip or announced to the host with the host's permission to allow them entry.

3.3 Admission to units for guests, agents, repair and delivery persons in the absence of the owner or resident is authorized by admission slips obtainable at the Front Desk. Two files are maintained, one for permanent admission and another for one-time admission. In addition, Unit Owners may permit entry to the Unit by providing the Building Manager written authorization to release the courtesy key. The written authorization shall state the person(s) to be admitted and the date for which permission is extended. For their own protection, residents are urged not to request exceptions to this procedure.

3.4 All Unit Owners or Tenants shall maintain a current set of emergency key(s) at the Front Desk. This is a requirement of the District of Columbia Fire Department. The emergency key shall be used in the event of an emergency inside a unit, for common element repairs by the Association or its agents, or for the inspection of common elements or architectural alterations by the Association or its agents.

3.5 In addition to the emergency key, it is recommended that residents and owners provide a duplicate courtesy key at the Front Desk for use by their contractors or in the event the resident or Unit Owner is locked out of his/her own unit.

3.6 Contact from the Front Desk to individual units is by phone. The Front Desk phone has the capability of speed dialing a phone number (cell phone or land line) based on the unit number. Residents should fill out an Owner Information Form or Tenant Information Form which provides the phone number they wish to use (local area codes only). These forms may be found on the Association Website: www.duponteast.org or are available at the Front Desk. If the Front Desk cannot contact a unit, your guests shall be turned away.

3.7 Residents are encouraged to make themselves known to the desk staff. We have many tenants who come and go and you may not be known to the desk staff. Please understand that the desk staff may challenge a resident who is unknown to them. They are only looking out for our safety. However, the desk staff are not security guards. They are to report any problems to the proper authorities in the event of an emergency.

4.0. BICYCLES

4.1 When taking bikes in and out of the building, residents shall use the rear entrance only. Bikes are not permitted in the Lobby of the building. Bikes are not permitted ingress/egress through the building front entrance.

4.2 Bikes may only be kept in an Association-recognized numbered space in the bike room or garage, with locks attached by Unit Owners or their tenants. No more than one bike may be stored in a numbered space. Spaces, when available, are assigned by the Building Manager on a first come-first serve basis.

4.3 There is an annual fee per bike storage space which shall be set at the discretion of the Board from time to time. The fee is due by the thirtieth (30th) day of each new year; at the time a bicycle is first placed in a bike storage space; or fifteen days after the effective date of this regulation. The storage fee shall be for a calendar year, or portion thereof. There shall be no setoff or deduction for a bike storage space occupied less than a full calendar year.

4.4 The Unit Owner or Resident who fails to pay the annual bike storage space fee shall be provided written notice of any delinquency. If the Unit Owner or Resident fails to pay the bike storage space fee within thirty (30) days of the mailing of the written notice of delinquency, the

Unit Owner or Resident is deemed to have relinquished the bike storage space. The Association shall have the authority to remove the bike from the storage space by whatever means necessary. If the Unit Owner or Resident fails to take possession of the bike within sixty (60) days of the written notice of delinquency, the Association shall discard the bike in a manner at the discretion of the Board.

4.5 Unit Owners and Residents store bikes in bike storage spaces at their sole risk and the Association shall not be liable for theft or damage thereto. Unit Owners or Residents who are occupying a bike storage space agree to hold the Association and the Board harmless for any claim of damage, theft, or any other legal claim at law or otherwise.

4.6 Owners who store their bikes in their apartments must show care and consideration when moving them through the common elements. Please use the service elevator and request permission from other passengers before bringing a bike into the elevator.

(This section was revised and the revisions adopted by the Board of Directors on February 24, 2010.)

5.0 BULLETIN BOARD

5.1 A bulletin board is located in the laundry room. Residents may use it for miscellaneous notices (items for sale, etc.)

5.2 Other than Dupont East management documents no notices are permitted anywhere else in the common elements (elevators, hallway, unit doors, etc.)

6.0 DUPONT EAST GROUNDS

6.1 The Dupont East grounds are maintained by the house staff and by a professional landscaper contracted by the Association. Residents shall not plant, trim, or otherwise alter grounds, shrubs, etc unless permission is granted by the Board of Directors or the Landscaping Committee.

6.2 In order to maintain a pleasant environment, residents shall not allow their pets to utilize the Dupont East grounds for exercise. All residents shall curb their pets in, on or around the grounds. Litter of pets must be disposed of in securely fastened plastic bags.

6.3 Storage, disposal or abandonment of any resident's property on the Dupont East grounds is prohibited.

7.0 HALLWAYS AND UNIT DOORS

7.1 Any alteration or modification of the common areas by individual Unit Owners or residents is strictly prohibited. Altering the appearance of the outside of the unit door (knockers, name plates, additional locks, painting, etc.) except in case of new locks of a type approved by the Board, is prohibited. The Placement of doormats or pieces of carpeting outside the individual unit door is prohibited.

7.2 The temporary use of holiday decorations may be placed on the outside of unit doors, but must be removed within a reasonable period after the holiday season. (See Bylaws, Article V, Section 7).

7.3 No additional locks are permitted to be installed on unit doors. Owners shall only replace an existing lock with the Board-approved handles/locks. (See Bylaws, Article V, Section 7). Owners shall be charged for the cost of replacing lost keys and door handles/locks.

7.4 Stairwell and fire doors shall be kept closed at all times.

8.0 LAUNDRY ROOM

8.1 The laundry room is located on the basement level of the building. It is open 24 hours a day but is only available to Dupont East residents and their guests. There are eight (8) regular washers and ten (10) dryers. In addition, there is one (1) large capacity washer and one (1) large capacity dryer.

8.2 The washers or dryers shall not be overloaded. Over loading will cause the machines to malfunction and the machines will not perform as well if over loaded.

8.3 Please remove the lint from the lint collector on the dryers after your cycle is completed.

8.4 FIVE MINUTE RULE: please be timely in returning to the laundry room to retrieve your garments. Other residents will wait five minutes from the end of your cycle before removing your garments and placing them on the folding tables.

8.5 ABSOLUTELY NO DYEING OF CLOTHING IS PERMITTED IN ANY OF THE MACHINES.

8.6 Please report all machine malfunctions to the front desk.

9.0 COMMON AREAS

9.1 Common areas, such as the lobby, roof deck, hallways, vending machine room, etc. are for the use of all residents and their guests. However, these areas shall not be used for large-scale or extended business or social functions, without the prior written permission of the Board of Directors.

9.2 Permission for the use of the lobby, roof deck or other public spaces for commercial or social events shall be reviewed by and approved or not approved by the Board of Directors. To be considered by the Board, an event must be sponsored by a unit owner residing in the building and must provide benefit to the association's membership. The unit owner will be responsible for arranging any necessary set up and clean up after the event.

9.3 Every effort shall be made by residents to maintain these and other common areas in a neat, clean, and orderly fashion. Unit Owners shall be liable for damage they or their tenants or persons listed in 1.0 Persons Boundcause to the common elements.

9.4 There shall be no running, loud noise or other disturbance in the hallways, stairwells or other common areas.

9.5 Pursuant to District of Columbia fire codes, storing, abandoning or temporary placement of any items in the hallways or stairwells is strictly prohibited.

10.0 ARCHITECTURAL ALTERATIONS WITHIN UNITS

10.0 Please see Addendum A, "Architectural Alterations within Units" which are incorporated into these Rules & Regulations by reference.

11.0 MINIMUM STANDARDS FOR CONDITIONS WITHIN UNITS

11.1 The following Rules & Regulations are minimum standards for the condition of Units within the Dupont East. It is not the intention of the Board of Directors to regulate the lifestyle or decorating tastes of residents, however, certain minimum standards are required for the health and safety of all residents.

11.2 Hazardous Materials are prohibited within units. Hazardous materials include gasoline, propane gas, oil, flammable substances, biological or radioactive material. Hazardous materials do not include household cleaning items or material used for repairs or upgrades to the Unit on a temporary basis.

11.3 Each resident shall maintain their unit in a reasonably clean, sanitary and safe condition so as to prevent rodents, vermin or fire hazards.

11.4 Residents shall maintain the interior of the unit in a reasonable manner so that relatively easy access may be made to common elements in the kitchen, bathroom and to windows and convectors (heating/cooling system). Residents are prohibited from using the unit for the purpose of a storage facility.

11.5 No resident or Unit Owner shall permit anything to be done or kept in the Unit which will result in the cancellation of the master insurance policy or which shall increase the rates of the master insurance policy. (see Bylaws, Article V, Section 8(a)(1)).

11.6 All residents and Unit Owners shall observe at all times all laws, zoning ordinances and regulations of any governmental agency having jurisdiction thereof relating to any portion or use of the property. (see Bylaws, Article V, Section 8(a)(2)).

12.0 PARKING (Driveway, Ramp, Loading Dock & Services)

12.1 Parking is prohibited in driveways, garage ramp, back alleys, and loading dock. These areas shall be kept open at all times for emergency vehicles. Illegally parked vehicles shall be ticketed and towed without warning.

12.2 The front entrance is exclusively for the use of residents and guests while getting in and out of cabs and private cars, or while a driver is asking the Desk to page a resident.

12.3 When it is necessary in an emergency to leave a car unattended in the front driveway, the driver shall first obtain permission from the Desk, and leave at the Desk the car key and the unit number to be notified if the car has to be moved,

12.4 All parking spaces at Dupont East have been leased or bought by residents. There are absolutely no spaces available for guest parking on the grounds. Please do not park in someone else's space, even for a moment. All illegally parked cars shall be ticketed and towed without a prior warning.

13.0 ROOF DECK

13.1 The roof deck is available to residents and their guests on a 24 hour basis. Unit Owners, residents and their guests use the roof deck at their own risk.

13.2 Noise shall be kept to a minimum to avoid disturbing residents who reside just below the roof deck. No recorded or amplified music or other noise is permitted. Only individual hearing devices are allowed. Please be particularly careful about noise after 10:00 PM on weekdays and 12:00 AM on weekends. The roof deck may be closed if residents and their guests do not comply with a request to refrain from loud noise.

13.3 ABSOLUTELY NO COOKING/GRILLING OF ANY KIND IS PERMITTED AT ANY TIME ON THE ROOF DECK PURSUANT TO DC FIRE CODES.

13.4 The roof deck shall not to be used for large scale business or social functions without prior approval from the Board. Any single gathering of six residents/guests or more for a planned social function requires prior Board approval. Contact the Building Manager for proper permission.

13.5 All cigarette butts or other tobacco products shall be carefully disposed of in the proper receptacles to prevent fire. Please do not throw cigarettes/cigars on the roof or over the side of the building.

13.6 All trash or food shall be cleaned up and placed in the proper receptacles after use by a resident or guest.

13.7 No Unit Owner, Resident or Guest shall use or travel upon any other part of the roof; only the roof deck itself is available for resident use.

13.8 Residents shall not place plants, flowers, etc. on the roof deck without Board or Landscape Committee approval.

14.0 STORAGE ROOM

14.1 The storage room is located in the basement level near the laundry room. Each unit is assigned one space. This space shall be automatically transferred with the unit ownership. Items placed in the storage room are at the Unit Owner or Resident's own risk and the Association assumes no responsibility for damage or theft thereof.

14.2 Each space is approximately 36" wide X 36" deep X 11" height. All items shall fit within the assigned space and shall be clearly marked with the resident's name and unit number. No items shall be stored in the aisles.

14.3 Hazardous Materials (particularly flammable materials) are strictly prohibited pursuant to District of Columbia Fire Regulations. Tires, mattresses and futons are also prohibited.

14.4 Landlords may authorize the use of their assigned space by a Tenant in a written memo to the Building Manager.

14.5 The storage room shall remain locked at all times with access provided by the Building Manager.

15.0 TRASH ROOMS

15.1 Trash shall be disposed of down the trash chute in bags small enough so as not to cause blockage in the chute. No bags of trash should be left on the floor of the trash room. Trash shall be placed in a plastic bag tightly sealed.

15.2 The containers in each trash room are for recyclables only. Plastic, glass, and cardboard in the respective containers only.

15.3 Newspapers shall be stacked neatly on the trash room floors along with larger items which cannot be accommodated in the trash chutes.

15.4 Trash room lights shall be turned off after trash has been deposited as an energy conservation measure.

15.5 To avoid disturbing residents who live near the trash room, the trash room should not be used between the hours of 11:00 p.m. and 7:00 a.m.

16.0 WINDOWS

16.1 The windows were upgraded in 2005/2006. The windows are a limited common element. Changes or alterations to the windows are prohibited. Please lock your window during inclement weather or they may leak. If a window is damaged because it was left open in strong winds, the Unit Owner shall be liable for any repair costs.

16.2 Window Treatments – All window treatments shall be solid opaque white at all times when viewed from the exterior of the building.

16.3 Residents shall not place any items outside of the unit window, such as antennas, wires, cables, flower boxes, satellite dish, additional air conditioning units, etc., which may alter the exterior appearance of the building. (See Bylaws, Article V, Section 8 (a) 9.)

16.4 Outside window bars are not permitted. Persons who wish to install inside window bars should contact the Board of Directors or the Building Manager for information on specifications and possible suppliers.

16.5 Unit Owners or Residents are prohibited from displaying posters, placards or signs of any kind in the windows at any time.

17.0 MONTHLY COMMON EXPENSE ASSESSMENTS

17.1 Common expense assessments are due and payable on the first of the month in accordance with Article V of the Bylaws. The unit number should appear on the check to insure proper crediting. Checks should be made payable to *Dupont East Condominium* and mailed with the coupon to the Management Company or dropped off at the Front Desk. The front desk will convey payments to the Management Company, but payment at the front desk does not in itself constitute receipt by Management Company.

17.2 Unit Owners shall be charged a late fee for any monthly common expense assessment that is not received by the Management Company by the 15th of the month and shall be liable for any late fee and for any legal fees incurred by the Association related to the collection of unpaid or overdue Association assessments.

18.0 DELIVERIES

18.1 The front desk will accept for residents only letter, parcel post and small packages.

18.2 Residents who expect deliveries to their units of large packages shall notify the Front Desk at minimum five (5) business days in advance to reserve the freight elevator. Residents who have reserved the freight elevator in advance have priority over any other deliveries, except Association deliveries.

18.3 Large deliveries (e.g. furniture) requiring the use of the freight elevator are only permitted **Monday – Friday, 9:00 AM to 4:30 PM and Saturday 9:00AM to 1:00PM**. Deliveries are prohibited on Sundays or Holidays. The freight elevator shall be reserved with the Building Manager five (5) business days in advance of a large delivery.

18.4 In the resident's absence, such deliveries cannot be accepted unless special arrangements with the desk have been made in advance and in writing; the Building Manager shall be given a signed admission slip naming the individual or company expected to make the delivery.

18.5 Neither the desk or the manager will pay for C.O.D. packages unless the addressee has left the full amount of money with the Manager for payment.

18.6 Packages and registered mail are recorded in a book at the Front Desk and shall be released only when the addressee signs for them.

19.0 GARAGE AND PARKING LOT

19.1 Spaces in the garage and outside parking lot are only for the use of those persons owning or renting the specifically assigned space. The spaces shall be used solely for the purpose of parking permitted automobiles. Parking space Owners or tenants shall park a permitted vehicle within the confines of their assigned parking space. Owners are responsible for the cleanliness of their space.

19.2 Neither short-term nor long-term parking is permitted in an unauthorized space. Unauthorized parking will result in ticketing and towing without prior warning.

19.3 The Association assumes no responsibility for loss of or damage to vehicles and other personal property in the garage and parking lot.

19.4 Parking space Owners and tenants are strictly prohibited from storing any items in the parking space.

19.5 Owners shall transfer garage keys/cards to any future owner or tenant of the parking space.

19.6 Parking Space Owners who rent their space shall use the Association Lease form and present it in triplicate to the Building Manager for approval. Parking space Owners shall only lease their space to residents of the Dupont East Condominium.

20.0 INSURANCE

20.1 The master policy maintained by Owners' Association does not provide personal property or liability coverage for owners within their units. Each Unit Owner has the responsibility for carrying a Condominium Homeowners Insurance Policy to cover personal property and personal liability.

21.0 LEASES

21.1 No apartment unit or parking space shall be rented for a period of less than six (6) months. (See Bylaws, Articles V, Section 8).

21.2 All rentals of units shall be with a written lease form. All Unit Owners shall use only the Association's standard lease form when renting their units. The standard lease form may be obtained from the Building Manager or from the website, www.duponteast.org. No changes are allowed to be made to the lease.

21.3 A lease transaction fee shall be paid by the Unit Owner for the rental of an Apartment unit in an amount as set forth by the Board from time to time. The lease transaction fee applies only to new rentals and does not apply to a new lease agreement with an existing tenant. The lease transaction fee does not apply to the rental of parking spaces. The lease transaction fee is due at the time the lease is submitted for Board approval and is in addition to any move-in fee paid by the tenant.

21.4 In accordance with Bylaws Article V, Section 9 (5) all unit owners shall promptly forward three (3) confirmed copies of any lease agreement to The Board of Directors after execution of said agreement, whether for a unit or parking space.

21.5 No portion of any apartment unit or parking space other than the entire unit shall be rented.

21.6 No sub-lease is permitted by a lessee (renter) unless the owner of the unit receives in writing the written approval of the Board of Directors.
(This section was revised March 2012)

22.0 MAINTENANCE RESPONSIBILITY (Individual Units)

22.1 Each Unit Owner shall maintain the Unit and its appliances, plumbing, electrical, gas and appurtenances in good condition, order and repair. (See Bylaws Article V, Section 5(b). Maintenance of air conditioning/heating units (convectors) is the responsibility of the Unit Owner(s). Board approval is required prior to replacing convectors.

22.2 To avoid clogging the drains and plumbing, do not use the kitchen garbage disposal for such items as flower stems, corn husks, artichoke leaves, banana peels, bones, metal, glass, plastic, cloth, string, rubber, sea food shells, corn cobs, melon rinds or similar fibrous/dense material.

22.3 The electrical and gas systems, toilets and other water and sewer apparatus shall not be used for purposes other than those for which they were designed. The Unit Owner shall be liable for the cost of repairing damages resulting from any misuse, whether intentional or negligent.

22.4 Unit Owners who wish to add or change major appliances (stove, dishwasher, etc.) shall obtain approval of the Board prior to installation.

22.5 Unit owners shall be liable for damage caused to other units or common elements resulting from such things as sink or toilet overflow, deteriorated caulking, toilet wax ring failure, convactor condensate overflow, etc. (See Bylaws, Article V, Section 5(b)).

23.0 MOVE-IN/ MOVE-OUT

23.1 All move-in or move-out, shall be arranged at least five days in advance with the Building Manager. Moves shall be scheduled only **Monday through Friday from 9:00a.m. to 4:30p.m. and Saturday from 9:00 a.m. to 1:00 p.m. No Sundays or Holidays.**

23.2 A move-in shall not be permitted under any circumstances unless (a) the management company has provided in writing to the Building Manager that title to a unit has been transferred to the move-in applicant, or (b) that a confirmed copy of the Board-approved lease of the applicant is on file with the Building Manager and (c) all move-in fees are paid in full.

23.3 Anyone moving in shall pay a non-refundable move-in fee as determined by the Board of Directors from time to time. A refundable deposit shall be charged for use of the elevator key for moving in or out.

23.4 Only the loading dock in the rear of the building and freight elevator shall be used for any kind of moving. There shall be no moving through the lobby.

23.5 On the day scheduled for the move, the freight elevator shall be padded for protection, and can be locked off for the exclusive use of the movers. Under no circumstances is the elevator door to be wedged or propped open.

23.6 It is recommended that the moving company take back as many boxes and cartons as possible. Remaining boxes shall be flattened and put neatly in the trash room, but not down the chute, as such items will block it.

23.7 Owners shall be liable for any damages in the common areas occurring during the move-in or move-out of their units, including a move-in or move-out by their tenant.

24.0 PETS

24.1 Residents are permitted a reasonable number of domestic pets such as dogs, cats, caged birds or fish in small table-top tanks subject to any rules adopted by the Board of Directors,

provided that such pets do not constitute a nuisance to other residents, and that pet owners comply with the rules stated below. (see Bylaws, Article V, Section 8 (a) (7))

24.2 Residents shall not keep more than two (2) pets per unit. Combined units are considered one unit for purposes of this regulation.

24.3 Any pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the property upon three days written notice from the Board of Directors.

24.4 Residents who keep pets shall be responsible for seeing that other residents are not disturbed by crying, barking, biting or other disturbances.

24.5 Each pet owner shall be liable for personal injuries or property damage caused by his/her pet. Pet Owners are responsible for cleaning up after a pet in public areas.

24.6 All pets shall be leashed at all times while on common areas.

24.7 Pets shall not to be taken into the elevator if there is any objection from prior occupants of the elevator. The owner of a large or nervous pet should wait for an empty elevator out of courtesy to other users of the elevator.

24.8 Pets, particularly dogs, shall be curbed away from the lawns and grounds of the condominium. Litter of pets shall be disposed of in securely fastened plastic bags.

24.9 Persons with complaints against pet owners are strongly urged to speak to the offending pet owner in person. Many problems can be solved quickly in a friendly manner. If this procedure is unsuccessful, a written complaint should be given to the Manager, and a copy of the complaint shall be given to the owner of the offending pet.

25.0 SALE OF UNITS

25.1 No Owner shall sell his unit without having notified the Board of his intention to sell such unit at least fifteen (15) days prior to the closing date in the following manner: The notice of intent to sell shall be in writing and shall state the name of the Owner and number of the unit intended to be sold, the intended closing date if known or a projected date, and, if possible, the name and current address of the intended purchaser.

25.2 In accordance District of Columbia Condominium Act, the seller shall provide the prospective purchaser a Certificate of Resale prior to settlement. The Certificate of Resale may be obtained from the Management Company upon request and payment of the required fee in advance.

25.6 The new Unit Owner or their real estate agent shall send a copy of the Settlement Sheet to (a) the Building Manager and (b) the Management Company within fifteen (15) days of closing on the Unit.

25.7 All Unit Owner(s) shall complete a copy of the Owner Information Form and return it to the Building Manager by the time of move-in. The form may be obtained from the Building Manager or on the website: www.duponteast.org.

25.8 No Unit Owner(s), resident or their agent shall post any advertisements, posters, or signs of any kind in or on the Property except as authorized by the Board.

26.0 SOLICITING

26.1 Door-to-Door soliciting is prohibited in the Dupont East by residents, guests, or outsiders with the exception of Association business. Residents should notify the Building Manager if solicitors appear in the building.

27.0 STAFF USE BY RESIDENTS

27.1 The responsibility for repairs and maintenance in individual units is that of the Unit Owner. The Association staff is hired primarily to service and maintain the common areas and to provide emergency repairs and maintenance. However, they will be available for some routine maintenance in individual units during normal working hours by arrangement with the Building Manager. The service is provided for a charge to the Unit Owner of time and material. Except in the case of an emergency, common area repairs will take precedence at all times.

27.2 Except for an emergency, requests for service shall be made in writing to the Building Manager and shall specifically enumerate the services requested. The Building Manager shall determine whether staff is available and residents will be advised in advance when the work will be performed.

27.3 Residents may check with the Manager for any available information concerning outside contractors. Such arrangements are the responsibility of the resident or owner. The Association makes no representation of the quality of outside contractors.

27.4 If a Unit Owner makes individual private arrangements for work in his/her unit with Association staff, the Unit Owner does so at their own cost and risk. The Condominium Association shall not be responsible for any loss, damage, defective workmanship or liability arising out of such private arrangements. Architectural alterations, repairs and upgrades made by individual private arrangements with Association staff shall comply with all requirements of Section 10.0.

28.0 PROCEDURES AND CHARGES FOR VIOLATIONS OF THE DOCUMENTS

28.1 The following "Procedures and Charges for Violations of the Documents" shall apply to any and all violations of the Documents and all District of Columbia laws, ordinances, building codes or regulations.

28.2 The Board or its agents shall notify the Unit Owner in writing of any violation(s) of the Documents. The Notice of Violation shall state with specificity the nature of the violation, the potential sanctions and the right to a Hearing before a quorum of the Board of Directors in the event of a Charge pursuant to 28.5(a) and (b). If the violation involves a tenant, notice of the violation shall be sent to both the tenant and Unit Owner.

28.3 Upon notice, the Unit Owner or Resident shall immediately cure the violation and/or cease and desist from committing the violation. The Board may take remedial action in the event the Unit Owner or resident does not cease and desist from the violation.

28.4 If the violation involves Architectural Alterations within Units, the Unit Owner shall have thirty (30) calendar days from the date of issuance of a notice of violation to cure the violation(s). The Board in its sole discretion may require fewer than thirty (30) calendar days to cure a violation(s) or may take remedial action to cure the violation(s) directly if the violation(s) is determined by the Board to be a matter of the health or safety of residents or the structural or mechanical integrity of the building.

28.5 In addition to remedial measures available to the Association, violations of the Documents may result in any one or all of the following at the sole discretion of the Board:

(a) A Charge not to exceed Two Hundred Fifty dollars (\$250) for each violation. The Charge shall constitute a lien against the unit and be collectible as such;

(b) In addition to the Charge in 28.5(a), the Board may impose a cumulative Charge not to exceed Twenty-five dollars (\$25) per calendar day for a continuing violation of the Documents. The cumulative Charge begins when the time period to cure the violation expires. The cumulative Charge shall constitute a lien against the unit and be collectible as such;

(c) Prohibit a Unit Owner's contractors from entering the common elements of the Dupont East Condominium;

(d) Deny Association privileges to the Unit Owner or resident.

28.6 Notice of a violation or citation and potential Charge shall consist of a written notice posted on the Unit Owner's door or placed in the Unit Owner's mailbox at the Front Desk for Resident Owners, or via First Class Mail to the address of record for Non-Resident Owners.

28.7 The Unit Owner cited with a violation of the Documents shall be entitled to a Hearing before a quorum of the Board of Directors prior to implementation of any Charge pursuant to 28.5(a) and (b). The citation shall provide the Unit Owner the date and time of the hearing before a quorum of the Board regarding the potential Charge. The Unit Owner has the right to present witnesses, cross-examine witnesses, and to be accompanied by an attorney or representative at the Unit Owner's sole cost and expense. A hearing before a quorum of the Board shall not increase the time available to the Unit Owner to cure the violation or to cease and desist from committing the violation. The Board may proceed with the Charge and any cumulative Charge should the Unit Owner fail to attend the scheduled Hearing.

28.8 The Unit Owner in violation of the Documents or the District of Columbia laws, regulations, ordinances or building codes shall be liable for any and all costs, expenses, fees, fines, or any other monetary cost related to the violation or the cure of the violation incurred by the Association. This includes any and all legal fees incurred by the Association relating to the violation.

28.9 A Unit Owner shall be liable for any Charge or cumulative Charge due to a violation by his/her tenant.

28.10 A decision by the Board to utilize the remedies outlined in the Rules & Regulations shall not limit the Association from utilizing other remedies available under the D.C. Condominium Act, the Association Bylaws, at law or otherwise.

29.0 MISCELLENIOUS PROVISIONS

29.1 This Resolution of the Rules & Regulations of the Dupont East Condominium Association is based upon the District of Columbia Condominium Act and any other applicable statutes and regulations. It shall be automatically amended to incorporate any relevant change in the District of Columbia Condominium Act and any other applicable statutes and regulations.

29.2 Charges made pursuant to this Resolution shall be added to the Unit Owner's account and, if unpaid after demand, shall be collected as allowed by the Documents and at law.

29.3 The failure of the Association through the Board of Directors or its Agents to enforce any provision of the Documents shall not constitute a waiver of the right of the Association to enforce such provision through the Board of Directors or its Agents in the future.

29.4 Whenever the context so requires, words used in the singular include the plural and the plural the singular; the masculine gender includes the feminine and the feminine the masculine.

29.5 The invalidity of any portion of this Resolution shall not impair or affect in any manner the validity, enforceability or effect of the balance of this Resolution.

I, the undersigned, Secretary of the Dupont East Condominium Association, hereby
acknowledge that the forgoing is a true and correct copy of the Resolution as adopted
by the Board of Directors of the Dupont East Condominium Association on
_____, 2014.

Witness my hand and seal this _____ day of _____, 2014

Secretary/Treasurer

ATTACHMENT: Addendum A

Dupont East Condominium Association

www.duponteast.org

ADDENDUM “A”

Rules and Regulations regarding Architectural Alterations within Units

10.0 Architectural Alterations within Units

10.0 (a) Any improvements, alterations, or renovations to individual units must be presented in writing to the Board of Directors for approval prior to implementation. (See Bylaws, Article V, section 7). This includes the requirement that owners notify and obtain Board approval prior to replacing air conditioning/heating convectors, and gas/plumbing related appliances.

10.2 General Information

10.2 (a) The Board will strictly scrutinize any requested alteration which may affect common elements, the operation of the building's systems, or neighboring units (e.g. moving, blocking or altering of hot/cold pipes, return pipes, venting, gas pipe, outside perimeter walls or structural walls, windows or other elements which face common areas or public areas, electrical circuit breakers, etc). The Board has adopted this policy to maintain the structural integrity of the building as originally constructed as much as possible, to prevent precedents which would allow any Unit Owner to make the same or similar undesirable structural changes which may have a cumulative negative effect on the building, to prevent changes which may increase master policy insurance exposure/rates, and for the health and safety of all residents. The following are the minimum requirements of the Association.

10.2 (b) Final approval or disapproval of any structural change to a unit is within the sole discretion of the Board of Directors.

10.2 (c) The unit owner will be billed for any costs incurred by the Association for an outside engineering review if necessary.

10.3 Architectural Alteration Requests

10.3 (a) Unit Owners shall complete the “Request for Architectural Alterations within Units” form and provide the completed form to the Building Manager prior to the commencement of any work within a Unit. This includes any improvements, alterations, or renovations and any requested change out of kitchen appliances or convectors. The Building Manager will then determine if the requested alterations are structural in nature and advise the Unit Owner promptly of same. Unit Owners shall amend the Alterations Request form and provide the amended form to the Building

Manager should they change their plans in any way after their initial submission to the Building Manager.

10.3 (b) All submissions for alterations shall be accompanied by professional architectural and/or engineering designs, where applicable, which detail the current structures/systems and also detail the proposed alterations.

10.3 (c) Requests for architectural alterations may be reviewed by a Board selected outside Engineering Consultant for recommendation to the Board. The Unit Owner requesting the alteration shall pay the Engineer's current hourly rate. This charge is cumulative for each review by the Engineer.

10.3 (d) Permitted Scope - Unit Owners shall not exceed the permitted scope of the project as approved by the Board of Directors. Any changes to the design made by the Unit Owner after preliminary or final approval requires a new submission, review and approval by the Board

10.3 (e) Duration of Project - Unit Owners shall complete the project within 120 calendar days of issuance of final approval by the Board of Directors. Unit Owners must request in writing approval from the Board of Directors to exceed the 120 day requirement. Approval to extend the duration of the project is within the sole discretion of the Board.

10.3 (f) Unit Owners are encouraged to refrain from any purchases related to the alterations until final approval is granted by the Board.

10.4 District of Columbia Building Codes and Permits

10.4 (a) Unit Owners shall comply with all District of Columbia building codes. Any permits required from the District Government shall be presented to the Building Manager or Engineering Consultant prior to implementation of the proposed project. However, approval by the District Government does NOT constitute approval by the Board. The Board reserves the right to refuse permission even if the District Government has given its approval and issued all permits. Obtain any permits or licenses only after preliminary approval has been granted to your design.

10.5 Liability of Unit Owner/Insurance

10.5 (a) Unit Owners making alterations or appliance installation are liable for any damage or injury from the work performed by their contractor or by the Unit Owner, including damage to common elements.

10.5 (b) All contractors performing any work (including installation of appliances) shall be licensed, bonded and insured with minimum liability limits of \$1,000,000. Insurance certificates of all contractors shall be presented to the Building Manager prior to commencement of construction or installation. General contractors will be responsible for insuring the proper licensing and insurance coverage of any subcontractors they employ.

10.5 (c) Unit Owners shall present to the Building Manager proof of condominium insurance on their Unit with minimum liability limits of \$100,000 prior to commencement of construction or installation of appliances.

10.6 Policies Regarding Specific Systems and Equipment

10.6 (a) Electrical System

(1) Electric Outlets -All electrical outlets in the building are 110 Volts. There are no 220 Volt outlets in any Unit (including the kitchen). Therefore, any equipment which requires a 220 Volt supply is prohibited (e.g. convection microwave or stove, electric stove, etc.). The wiring for thermostats in each Unit is 120Volts. Modern digital thermostats require more than 120 volts and will not operate with our current thermostat wiring.

(2) Fuse/Circuit Breaker Box – Unit owners may change a fuse box to circuit breakers but shall maintain the same Amps as originally constructed. All fuse boxes are currently 60 Amps for efficiencies and 100 Amps for one bedroom (6 fuses/breakers). The Amps shall not be increased beyond 60 Amps for efficiency and 100 Amps for one bedroom units for any reason whatsoever. All circuit breaker panels shall have a main shut off switch in addition to the individual circuit breakers. Any work involving a change over to a circuit breaker panel must be done by a licensed electrician.

(3) Fire Alarm Mini-Horn – Any altering, painting, or disconnecting of the Mini-Horn located above the entrance door to each Unit is strictly prohibited.

10.6 (b) Water Pipes

(1) Altering or re-routing of the common element riser pipes/ waste pipes/return pipes is prohibited. A common element riser pipe/waste pipe/return pipe is a pipe that services more than one unit.

(2) All newly installed copper piping shall be “K Type or L Type” copper; “M Type” copper is prohibited.

(3) Moen Faucets - Moen brand faucets are prohibited. We have found that Moen brand faucets have a high tendency for cold water to crossover into the hot water line after just a few years of use. This seriously delays the receipt of hot water to your unit and wastes water and energy. Delta or American Standard faucet equipment works best with the condominium plumbing systems.

10.6 (c) Natural Gas Pipes

(1) Due to the dangerous nature of natural gas, the gas riser pipe shall not be altered or re-routed in any way whatsoever. If a Unit Owner changes the wall around a gas pipe, the Unit Owner may be required to install a protective metal sleeve around the gas pipe.

10.6 (d) Windows

(1) The windows were upgraded in 2005/2006. The windows are a limited common element. Changes or alterations to the windows are prohibited.

(2) Window Treatments – All window treatments shall be solid opaque white at all times when viewed from the exterior of the building.

10.6 (e) Convectors (Fan Coil Heating/Cooling System)

(1) The convector is the heating and cooling system in your unit. Maintenance or replacement of the convector is the responsibility of the Unit Owner. Unit Owners are required to submit the appropriate form to the Building Manager when requesting a convector replacement. The forms may be obtained from the Building Manager. The convectors in your unit have a radiator (water based) fan coil system inside. At the bottom of the convector are two fans which draw the air up and over the radiator coils and out the top of the convector into your unit. When adjusting the thermostat, you only control the fans, not the flow of water. The water is constantly moving through each tier of the building.

(2) Convectors shall not exceed the maximum allowed CFM (cubic feet per minute). All bedrooms in all Units and all efficiency Units are only permitted a 200 CFM convector. Permissible CFM(s) for one-bedroom living/dining rooms vary depending on the size of the Unit, however, shall not exceed 400 CFM(s). Units currently with oversized convectors shall be required to restore an Association approved convector size when replacing an over-sized convector. Adding an additional set of fan coils to a convector is prohibited.

(3) The Unit Owner shall require that their convector contractor change all shut off valves to “ball valves” at the time of replacement.

10.6 (f) Appliances

(1) Clothes washing machines and clothes dryers are not permitted in any Unit.

(2) Appliances or equipment shall not directly ventilate into the kitchen or bathroom building ventilation system or through a window or building wall.

(3) Stoves: the older stoves in the building are hard-piped pilot light stoves. There are no flexible lines on the older stoves. A Unit Owner shall notify the Building Manager in writing seven (7) business days in advance of any replacement of a Unit's stove. The Unit Owner shall provide the name of the District of Columbia licensed plumber completing the stove change out prior to commencement of the change out. Any new stove and its supply source from the common element gas lines shall meet all District of Columbia codes and regulations.

10.7 Work Hours/Deliveries/Notice to Residents

10.7 (a) Work Hours - Any improvement, alteration or renovation work shall only be performed **Monday - Friday 9:00 AM to 5:00 PM (Except Holidays)**. Weekend or holiday work is prohibited.

10.7 (b) Deliveries - If you or your contractor will be delivering equipment or other items (e.g. cabinets, counter top, etc.), the freight elevator shall be reserved by the Unit Owner by contacting the Building Manager five (5) business days in advance.

10.7 (c) Notice to Residents - The Building Manager shall provide 72 hour notice to residents if a shut down of Association provided utilities is required for architectural alterations. Unit Owners shall provide sufficient notice to the Building Manager for any requests to shut down utilities for their construction project or the shut down shall not be permitted. The Unit Owner requesting the shut down of utilities is responsible for any costs incurred by the Association due to the utility shut down. The 72 hour notice provision shall not apply to a shut down of utilities for Association related emergency repairs.

10.8 Debris Removal/Protection of Common Elements

10.8 (a) Debris Removal - The Unit Owner or his/her contractor is responsible for removal of trash, debris or old appliances from the premises. Association trash rooms or dumpsters shall not be used for trash, debris or old appliance removal which is related to the construction project. Trash, debris or old appliances shall not be stored or abandoned on the common elements.

10.8 (b) Protection of Common Elements – The Unit Owner or his/her contractor is responsible for protecting the common elements from damage due to construction. It is helpful to have your contractor place a covering over the hallway carpet to prevent soiling. A Unit Owner or their contractor is responsible for cleaning any common elements which are soiled by the construction project.

10.8 (c) Unit Owners and Contractors shall not store material or equipment in common areas.

10.9 Association Right of Inspection

10.9 (a) By requesting approval for architectural alterations from the Board of Directors, the Unit Owner(s) grant(s) the Association or its agents the unlimited right to inspect the architectural alterations in a Unit during the course of construction without notice within contractor hours.

10.9 (b) The Association or its agents shall have the right to make a final inspection upon completion of the architectural alterations by providing three (3) days written notice to the Unit Owner.

28.0 PROCEDURES AND CHARGES FOR VIOLATIONS OF THE DOCUMENTS

28.1 The following “Procedures and Charges for Violations of the Documents” shall apply to any and all violations of the Documents and all District of Columbia laws, ordinances, building codes or regulations.

28.2 The Board or its agents shall notify the Unit Owner in writing of any violation(s) of the Documents. The Notice of Violation shall state with specificity the nature of the violation, the potential sanctions and the right to a Hearing before a quorum of the Board of Directors in the event of a Charge pursuant to 28.5(a) and (b). If the violation involves a tenant, notice of the violation shall be sent to both the tenant and Unit Owner.

28.3 Upon notice, the Unit Owner or Resident shall immediately cure the violation and/or cease and desist from committing the violation. The Board may take remedial action in the event the Unit Owner or resident does not cease and desist from the violation.

28.4 If the violation involves Architectural Alterations within Units, the Unit Owner shall have thirty (30) calendar days from the date of issuance of a notice of violation to cure the violation(s). The Board in its sole discretion may require fewer than thirty (30) calendar days to cure a violation(s) or may take remedial action to cure the violation(s) directly if the violation(s) is determined by the Board to be a matter of the health or safety of residents or the structural or mechanical integrity of the building.

28.5 In addition to remedial measures available to the Association, violations of the Documents may result in any one or all of the following at the sole discretion of the Board:

- (a) A Charge not to exceed Two Hundred Fifty dollars (\$250) for each violation. The Charge shall constitute a lien against the unit and be collectible as such;
- (b) In addition to the Charge in 28.5(a), the Board may impose a cumulative Charge not to exceed Twenty-five dollars (\$25) per calendar day for a continuing violation of the Documents. The cumulative Charge begins when the time period to cure the violation expires. The cumulative Charge shall constitute a lien against the unit and be collectible as such;
- (c) Prohibit a Unit Owner's contractors from entering the common elements of the Dupont East Condominium;
- (d) Deny Association privileges to the Unit Owner or resident.

28.6 Notice of a violation or citation and potential Charge shall consist of a written notice posted on the Unit Owner's door or placed in the Unit Owner's mailbox at the Front Desk for Resident Owners, or via First Class Mail to the address of record for Non-Resident Owners.

28.7 The Unit Owner cited with a violation of the Documents shall be entitled to a Hearing before a quorum of the Board of Directors prior to implementation of any Charge pursuant to 28.5(a) and (b). The citation shall provide the Unit Owner the date and time of the hearing before a quorum of the Board regarding the potential Charge. The Unit Owner has the right to present witnesses, cross-examine witnesses, and to be accompanied by an attorney or representative at the Unit Owner's sole cost and expense. A hearing before a quorum of the Board shall not increase the time available to the Unit Owner to cure the violation or to cease and desist from committing the

violation. The Board may proceed with the Charge and any cumulative Charge should the Unit Owner fail to attend the scheduled Hearing.

28.8 The Unit Owner in violation of the Documents or the District of Columbia laws, regulations, ordinances or building codes shall be liable for any and all costs, expenses, fees, fines, or any other monetary costs related to the violation or the cure of the violation incurred by the Association. This includes any and all legal fees incurred by the Association relating to the violation.

28.9 A Unit Owner shall be liable for any Charge or cumulative Charge due to a violation by his/her tenant.

28.10 A decision by the Board to utilize the remedies outlined in the Rules & Regulations shall not limit the Association from utilizing other remedies available under the D.C. Condominium Act, the Association Bylaws, at law or otherwise.

I, the undersigned, Secretary of the Dupont East Condominium Association, hereby acknowledge that the forgoing "Rules and Regulations Regarding Architectural Alterations" is a true and correct copy of the Rules and Regulations Regarding Architectural Alterations as adopted by the Board of Directors on _____, 2012 and attached as "Addendum A" to the Rules & Regulations of the Dupont East Condominium Association.

Witness my hand and seal this _____ day of _____, 2012.

Secretary/Treasurer

**Articles of Incorporation
Dupont East Condominium**

Articles of Incorporation

**ARTICLES OF INCORPORATION
OF
THE COUNCIL OF CO-OWNERS OF
DUPONT EAST CONDOMINIUM, INC.**

FILED

AUG 11 1993

(A non-profit corporation without capital stock)

TO: Department of Consumer and Regulatory Affairs
Business Regulation Administration
Corporations Division
614 H Street, N.W.
Washington, D.C. 20001

BY: 

We, the undersigned natural persons of the age of twenty-one (21) years or more, acting as incorporators of a corporation under the District of Columbia Non-Profit Corporation Act (D.C. Code, 1981 Edition, Title 29, Chapter 5, as amended), adopt the following Articles of Incorporation:

FIRST: The name of the Corporation is:

**THE COUNCIL OF CO-OWNERS OF DUPONT
EAST CONDOMINIUM, INC.**

SECOND: The period of duration is perpetual.

THIRD: This Corporation shall be the Council of Co-Owners of a condominium located in the District of Columbia, known and described as "DUPONT EAST CONDOMINIUM" and this Corporation shall hereinafter in these Articles of Incorporation be known and referred to as the "Council of Co-Owners". Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning as they are defined to have in the Declaration hereinafter described or in the Condominium Act of 1976 (D.C. Law 189), as from time to time amended or superseded; i.e., the Condominium Act.

FOURTH: The purposes for which the Corporation is organized are:

(a) to organize and operate a corporation, no part of the net earnings of which is to inure to the benefit of any member or other individual; and

(b) to provide for the maintenance, operation, care, upkeep and surveillance of the condominium and to provide other services for the benefit of the condominium and the unit owners in a manner consistent with the provisions of the Declaration, the Bylaws of the Council of Co-Owners and the Condominium Act; and

(c) to exercise all of the powers and privileges and to perform all of the duties and obligations of the Council of Co-Owners as set forth in a certain Declaration, and the Exhibits attached thereto, made by the Declarant named therein on February 6, 1979, and recorded on the 8th day of February, 1979, as Instrument No. 5062 among the Land Records of the Recorder of Deeds of the District of Columbia, as the same may from time to time be further

supplemented, amended or modified, the provisions hereof being incorporated in these Articles of Incorporation as if set forth herein at length; and

(d) in general, to carry on any other activities connected with or incidental to the foregoing objects and purposes, and to have and exercise all the powers conferred by the laws of the District of Columbia upon corporations formed under the District of Columbia Non-Profit Corporation Act.

FIFTH: The Council of Co-Owners shall be without capital stock and will not be operated for profit. Except as contemplated in the Condominium Act and except as provided in the Declaration and the Bylaws, the Council of Co-Owners does not contemplate the distribution of gains, profits or dividends to any of its members. Except as contemplated in the Condominium Act and except as provided in the Declaration and the Bylaws, the members of the Council of Co-Owners shall not be personally liable for the debts, liabilities or obligations of the Council of Co-Owners.

SIXTH: The authorized number of memberships in the Council of Co-Owners is 195, all of which shall be of one class. Every unit owner shall be a member of the Council of Co-Owners; *provided, however*, that any person who holds any legal or equitable interest in a condominium unit solely as security for the repayment of a debt or the performance of an obligations shall not be a member of the Council of Co-Owners by reason only of such interest.

The voting and other rights and privileges of membership, the liability of each member for assessment for common expenses of the condominium and the method of collection thereof shall be as set forth in the Declaration, the Bylaws of the Council of Co-Owners and the Condominium Act. All members shall have the right to vote.

The members of the Council of Co-Owners shall have no preemptive rights, as such members, to acquire any memberships of the Council of Co-Owners that may at any time be issued by the Council of Co-Owners except as may be specifically provided in these Articles of Incorporation. The Council of Co-Owners is not authorized to issue memberships in series.

SEVENTH: In the event any member sells, assigns or otherwise transfers of record the fee interest in any condominium unit in which he holds the interest required for membership, then the membership appertaining to such condominium unit shall terminate and, at the same time, the Council of Co-Owners shall issue a new membership to the transferee of the condominium unit. The foregoing requirements shall not obtain in the event a condominium unit is transferred as aforesaid solely as security for the repayment of a debt or the performance of an obligation.

EIGHTH: The initial registered office of the Corporation is:

1725 K Street, N.W., Suite 308
Washington, D.C. 20006

The following named person is the registered agent of this Corporation, and said resident agent is an individual actually residing in the District of Columbia:

Alfred S. Fried, Esquire
1725 K Street, N.W., Suite 308
Washington, D.C. 20006

NINTH: The number of Directors of the Council of Co-Owners shall be (5), and the names and post office addresses of the five (5) initial directors who shall act as such until the first annual meeting of members of the Council of Co-Owners, or until such time as their successors are duly chosen and qualified, are:

Name	Address
William Garrity	1545-18th Street, N.W., Unit 219 Washington, D.C. 20036
Thomas Cotter	1545-18th Street, N.W., Unit 716 Washington, D.C. 20036
Nancy Castell	1545-18th Street, N.W., Unit 210 Washington, D.C. 20036
Janina Jaruzelski	1545-18th Street, N.W., Unit 220 Washington, D.C. 20036
Mary Lynn Qurnell	1545-18th Street, N.W., Unit 205 Washington, D.C. 20036

The qualifications, powers, duties and tenure of the office of Director and the manner by which Directors are to be chosen, as well as other provisions relating to the regulation of the internal affairs of the Council of Co-Owners, shall be as prescribed and set forth in the Bylaws of the Council of Co-Owners as the same may be from time to time amended. Officers of the Council of Co-Owners shall be elected to serve as provided for in said Bylaws. Neither the Directors nor the officers of the Council of Co-Owners are required to be residents of the District of Columbia.

TENTH:

(a) The Council of Co-Owners shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Council of Co-Owners) by reason of the fact that he is or was a Director or officer of the Council of Co-Owners, or is or was serving at the request of the Council of Co-Owners as a Director, officer or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), fines, judgments and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Council of Co-Owners, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceedings by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Council of Co-Owners, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order or settlement shall not, of itself, create a presumption that the person did not act in good faith

and in a manner he reasonably believed to be in or not opposed to the best interests of the Council of Co-Owners.

(b) The Council of Co-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 or suit by or in the right of the Council of Co-Owners to procure a judgment in its favor by reason of the fact that he is or was a Director or officer of the Council of Co-Owners, or is or was serving at the request of the Council of Co-Owners as a Director, officer or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Council of Co-Owners and except that no such indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Council of Co-Owners unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(c) To the extent that a director or officer of the Council of Co-Owners has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in Subsections (a) and (b) of this Article, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(d) Any indemnification under Subsections (a) and (b) of this Article (unless ordered by a court) shall be made by the Council of Co-Owners only as authorized in the specific case upon the determination that indemnification of the Director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Subsections (a) and (b) of this Article. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by a vote of a majority of the then members of the Council of Co-Owners.

(e) Expenses (including attorneys' fees) incurred in defending an action, suit or proceeding, whether civil, criminal, administrative or investigative, may be paid by the Council of Co-Owners in advance of the final disposition of such action, suit or proceedings as authorized in the manner provided for in Subsection (b) of this Article upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Council of Co-Owners as authorized in this Article.

(f) The indemnification provided for in this Article shall be deemed exclusive of any other rights to which a person may be entitled under any provision of the Bylaws of the Council of Co-Owners or by reason of a vote of the unit owners or disinterested Directors of the Council of Co-Owners, or otherwise, both as to action in his official capacity and as to action in another capacity while holding the office and shall continue as to a person who has

ceased to be a Director or officer of the Council of Co-Owners and shall inure to the benefit of the heirs, executors, personal representatives and administrators of such person. The provisions of this Subsection shall not be construed to prohibit an arrangement by the Council of Co-Owners, acting through its Board of Directors otherwise, which extends the indemnification provided for in this Article to persons who are not Directors, officers, former Directors or former officers of the Council of Co-Owners. Any right to indemnification provided for herein shall not be exclusive to any other rights to which any Director, officer, former Director, former officer or other person may be entitled.

(g) In the event of dissolution or final liquidation of the Corporation, all of the remaining assets and property of the Corporation shall after paying or making provision for the payment of all of the liabilities and obligations of the Corporation, and for necessary expenses thereof, be distributed to such organization or organizations organized and operated exclusively for charitable or educational as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code as the Board of Directors shall determine. In no event shall any of such assets or property be distributed to any individual member, director, or officer, or any private individual; however, if an organization member qualifies as tax exempt under Section 501(c)(3) at the time of dissolution, this clause shall not bar it from receiving assets or property.

ELEVENTH: Except to the extent that any of them may also be unit owners in the condominium, the officers and Directors of the Council of Co-Owners shall have no personal liability as such officers and directors with respect to any contract or other commitment made by them, in good faith, on any contract or other commitment made by them, in good faith, on behalf of the Council of Co-Owners, and the Council of Co-Owners shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director of the Council of Co-Owners, or former officer or former Director of the Council of Co-Owners, may be entitled.

The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Council of Co-Owners and the condominium. No contract or other transaction between the Council of Co-Owners and one or more of its Directors, or between the Council of Co-Owners and any corporation, firm or association (including the Declarant), in which one or more of the Directors of the Council of Co-Owners are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are 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 of Directors or a majority thereof or noted in the minutes of the Board of Directors, and the Board of Directors authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) the fact of the common directorate or interest is disclosed or known to the unit owners, or a majority thereof, and they 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 Co-Owners at the time it is authorized, ratified, approved or executed.

Common or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested.

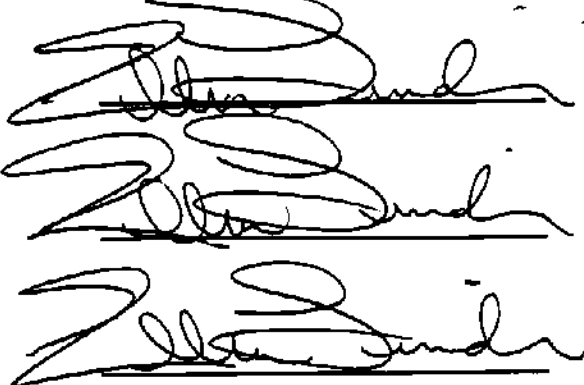
TWELFTH: Subject to the limitations set forth in the Condominium Act, the Declaration and the Bylaws, the Council of Co-Owners reserves the right to amend, alter or repeal any provision contained in these Articles in the manner now or hereafter prescribed by law for the amendment of Articles of Incorporation.


THIRTEENTH: The name and address, including street and number, of each of the incorporators named below is as follows:


Name	Address
William Garrity	1545-18th Street, N.W., Unit 219 Washington, D.C. 20036
Thomas Cotter	1545-18th Street, N.W., Unit 716 Washington, D.C. 20036
Nancy Castell	1545-18th Street, N.W., Unit 210 Washington, D.C. 20036

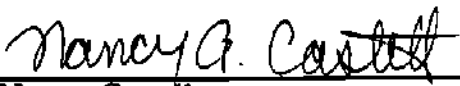
IN WITNESS WHEREOF, we have signed these Articles of Incorporation this 27 day of May, 1993.

Witness:



 (Seal)
William Garrity

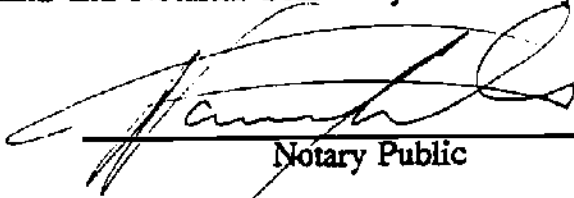
 (Seal)
Thomas Cotter

 (Seal)
Nancy Castell

DISTRICT OF COLUMBIA, ss:

BE IT REMEMBERED, that on this 28 day of May, 1993, personally appeared before me, a Notary Public in and for the jurisdiction aforesaid, WILLIAM GARRITY, THOMAS COTTER and NANCY CASTELL, the persons named as incorporators in the foregoing Articles of Incorporation, dated the 28 day of May, 1993, known personally to me as such, and I having first made known to them the contents of said Articles of Incorporation, did each acknowledge that they signed, sealed and delivered the same as their voluntary act and deed for the purposes therein contained and did further acknowledge the facts therein stated to be true as therein set forth.

GIVEN under my hand and Notarial Seal the year and day first above written.



Notary Public

(Notarial Seal)

My Commission Expires: June 1, 1997

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
BUSINESS REGULATION ADMINISTRATION



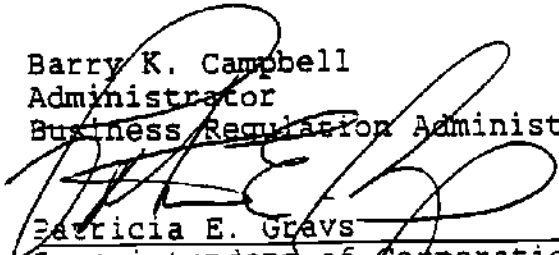
C E R T I F I C A T E

THIS IS TO CERTIFY that all applicable provisions of the DISTRICT
OF COLUMBIA NONPROFIT CORPORATION ACT have been complied with and
accordingly, this CERTIFICATE of INCORPORATION is hereby issued to
THE COUNCIL OF CO-OWNERS OF DUPONT EAST CONDOMINIUM, INC.

as of AUGUST 11TH , 1993 .

Larry King
Acting Director

Barry K. Campbell
Administrator
Business Regulation Administration


Patricia E. Grays
Assistant Superintendent of Corporations
Corporations Division

Sharon Pratt Kelly
Mayor

DUPONT EAST CONDOMINIUM

1545 18TH STREET, N.W.

WASHINGTON, D.C. 20036

PUBLIC OFFERING STATEMENT

PURCHASER SHOULD READ THIS DOCUMENT FOR HIS OWN PROTECTION

PUBLIC OFFERING STATEMENT

Name of Condominium: DUPONT EAST CONDOMINIUM
Location of Condominium: 1545-18th Street, N.W.
Washington, D.C. 20036
Lots: * 355, "of-133",
134, 135, 136,
137, 138, 139,
140 and "of-141"
- all taxed as
Lot 840

Square: 156 ANC Number: 2B

* (resubdivision to consolidate lots pending)

Name of Declarant: The Dupont, Inc.
Address of Declarant: 1100 - 17th Street, N. W., #610
Washington, D. C. 20036

Effective Date of Public Offering Statement: December 28, 1978
Condominium registration number 61

District of Columbia law requires that the original seller of condominium units disclose fully and accurately the characteristics of the condominium units being offered for sale. This Public Offering Statement is the means by which such disclosure is to be made. In the event of any misrepresentations made herein, the purchaser shall notify the Administrator, Department of Housing and Community Development, Neighborhood Improvement Administration, 1341 G Street, N. W., Suite 900, Washington, D.C. 20005.

No declarant may dispose of any interest in a condominium unit unless there is delivered to the purchaser a current public offering statement by the time of such disposition and such disposition is expressly and without qualification or condition subject to cancellation by the purchaser within fifteen (15) days after the contract date of such disposition, or within fifteen (15) days after delivery of the current public offering statement, whichever is later. The purchaser should inspect the condominium unit and all common areas and obtain professional advice. The District of Columbia Government does not warrant the accuracy of the statements made herein, nor has it passed on the merits of the condominium units offered for sale.

PURCHASER SHOULD READ THIS DOCUMENT FOR HIS OWN PROTECTION

AFFIDAVIT

Peter N.G. Schwartz, in his capacity as President of The Dupont, Inc., being duly sworn, deposes and says: that the statements herein contained and the documents submitted are true and complete, that he is the President of the developer of the condominium project described herein, and that he is the officer or agent authorized by the developer to complete this questionnaire.

DECLARANT:

THE DUPONT, INC.

By: Peter N. G. Schwartz
Peter N. G. Schwartz
President

Subscribed and sworn to before me this 30th day of October, 1978.

Barbara E. McLaughlin

Notary Public in District of Columbia
City of Washington
~~County~~

State of _____

My Commission Expires: May 31, 1983

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I. THE CONDOMINIUM CONCEPT.

Condominium ownership is a property right which combines traditional forms of ownership. The condominium Unit Owner is not only the sole owner of the portion of the building which comprises his living quarters, but also one of many mutual owners of common facilities which service his and other living quarters and of common areas which the Unit Owner may use and enjoy with other Unit Owners. Each Unit Owner has an "undivided interest" in the Common Elements, which means that all Unit Owners have a share in the ownership of all Common Elements. An undivided interest gives the Unit Owner the right to share in the control of all Common Elements; he must also pay his share of the normal expenses of operating and maintaining all of the Common Elements. It is the ownership of an undivided interest in the Common Elements which sets condominium ownership apart from other forms of property ownership.

This condominium is a "Conversion Condominium." A Conversion Condominium is a condominium which contains structures which before the recording of the documents establishing the condominium were wholly or partially occupied by persons other than those who will be contracting to purchase the Units. The building containing the Apartment Units in this condominium was originally built in 1962 and the apartments were occupied on a rental basis. The building was converted to a condominium when the condominium instruments were recorded in _____.

II. THE DECLARANT.

A. Declarant. The Declarant is The Dupont, Inc., which maintains its offices at 1100 - 17th Street, N.W., Suite 610, Washington, D. C. 20036. Declarant is a Delaware corporation formed in 1978 and qualified to do business in the District of Columbia.

B. Directors and Owners of Ten Percent (10%) or More of the Declarant's Stock.

Seventy-five Percent (75%) of the stock of the Declarant is owned by The Investment Group Development Corp., 1100 - 17th Street, N.W., Suite 610, Washington, D.C. 20036. Conrad Cafritz owns One Hundred Percent (100%) of the stock in The Investment Group Development Corp. Twenty-five Percent (25%) of the stock of the Declarant is owned by Metro Builders, Inc., 1352 Q Street, N.W., Suite 300, Washington, D.C. 20009. Peter N. G. Schwartz owns One Hundred Percent (100%) of the stock of Metro Builders, Inc.

The principal officers of The Dupont, Inc. are:

Chairman of the Board:	Conrad Cafritz
President:	Peter N.G. Schwartz
Vice President and Secretary:	Marvin J. Price
Assistant Secretary:	Marilyn Angelino
Assistant Secretary:	Frank H. Pearl

The Directors of the Declarant are:

Conrad Cafritz
Peter N.G. Schwartz
Marvin J. Price

C. Attorneys. The Declarant has retained the firm of Lane and Edson, P. C., 1800 M Street, N.W., Suite 400 South, Washington, D.C. 20036. This firm has drafted the Declaration, the Bylaws, the Purchase Agreement, the form of Unit Deed, and other documents relating to the formation of the condominium. The condominium may retain its own counsel following the selection of the Board of Directors.

D. General Contractor. The General Contractor for the renovation of the Apartment Building is:

Metro Builders, Inc.
1352 Q Street, N.W.
Suite 300
Washington, D.C. 20009

Metro Builders, Inc. is an affiliate of The Dupont, Inc.

E. Subcontractors. Major subcontractors have not as yet been engaged to perform services on the project. Declarant and/or the General Contractor reserve the right to change or terminate the services of any of the subcontractors in accordance with their respective contracts.

Declarant reserves the right to designate subcontractors with regard to electrical, plumbing and heating, roofing, painting, and exterior renovation and restoration, and will amend this Public Offering Statement at the time such designations are made.

F. Architect/Engineer. The architect and engineers are as follows:

Architect: Bucher Meyers
8777 First Avenue
Silver Spring, Maryland 20910

Structural Engineer: Tadjer-Cohen Associates
1109 Spring Street
Silver Spring, Md. 20910

Electrical Engineer: Alex R. Perez, P. E.
3027 Rosemary Lane
Falls Church, Va. 22042

Mechanical Engineer: David Abrams, P. E.
1330 Floral Street, N. W.
Washington, D. C. 20012

III. DESCRIPTION OF THE CONDOMINIUM.

A. The Units.

The Dupont East Condominium consists of a nine-story Apartment Building originally constructed in 1962 and subsequently used as a rental apartment project. Prior to its conversion to a condominium, the building contained one hundred ninety-five (195) apartment units. There will be one hundred ninety-five (195) Apartment Units in the building when the conversion is complete.

Each Apartment Unit will consist of the space enclosed by the unfinished interior surfaces of the walls, ceilings and floors enclosing that Unit. This will include the various utility conduits serving only that unit and the various appliances located within that Unit, such as bathroom and kitchen fixtures. The Unit will include the finished surface materials of the walls, floor and ceiling, such as the wood, ceramic or tile floors, wallpaper and paint.

There are twenty-two (22) Apartment Units on each of the eight upper floors, two (2) through nine (9). The layout of floors 2 through 9 will be identical; in other words, each of the Apartment styles will be repeated on each of floors 2 through 9 in the same location. There are nineteen (19) Apartment Units on the first floor and the layout of each of these Apartments will be identical to the Apartments directly above each.

The various unit types on each floor are made up of the following rooms:

<u>Unit Type (Tier)</u>	<u>Rooms</u>
01	EH, K, DR/LR/BR, B
02	EH, K, DR/LR/BR, B
03	K, DR, LR, BR, B
04	K, DR, LR, BR, B
05	K, DR, LR, BR, B
06	K, DR, LR, BR, B
07	K, DR, LR, BR, B
08	EH, K, DR/LR/BR, B
09	EH, K, DR/LR/BR, B
10	F, K, DR, LR, BR, B
11	K, DR, LR, BR, B
12	K, DR, LR, BR, B
13	F, K, DR, LR, BR, B
14	F, K, DR, LR, BR, B
15	K, DR, LR, BR, B
16	K, DR, LR, BR, B
17	K, DR, LR, BR, B
18*	K, DR, LR, BR, B
19	EH, K, DR, LR, BR, B
20	K, DR, LR, BR, B
21*	K, DR, LR, BR, B
22*	K, DR, LR, BR, B
	F, K, DR, LR, BR, B

Code: F = Foyer LR = Living Room
 EH = Entry Hall BR = Bedroom
 K = Kitchen B = Bath
 DR = Dining Room

The Declarant maintains the option to retain ownership of up to twenty (20) Apartment Units for rental purposes.

The Dupont East Condominium also contains forty-nine (49) condominium Parking Units. Thirty-eight (38) of these Units are located in a common garage below the ground floor of the building. The eleven (11) Parking Units outside the garage are located on that portion of the condominium property which lies on the south side of the lot in the space between the east and west wings of the building, and are indicated by number on the Plat.

Condominium Parking Units will be offered for sale on a "first-come, first-serve" basis first to tenants who are purchasing Apartment Units in the building, and then to other purchasers. Only owners of Apartment Units may own Parking Units, and no more than one Parking Unit per Apartment Unit is permitted. The Parking Units will

*Tiers 18, 21 and 22 do not exist as Apartment Units on the first floor.

include the space measured from the midlines of the stripes or other dividers enclosing the spaces. The cost of maintenance of the parking facilities will be substantially shared by the Owners of the Parking Units in proportion to their respective ownership shares.

Although all of the Apartment Units are presently completed, the Declarant will undertake renovation of each Apartment Unit. The work will be undertaken in the case of each Unit subsequent to the vacating of the Unit by the existing tenant or (in the case of Units purchased by persons who were tenants at the time the building was converted to condominium ownership) at a time which will be mutually acceptable to the purchaser and the Declarant.

Renovation work on the Apartment Units is anticipated to proceed as explained in Section III of this Public Offering Statement under the Section entitled "Construction or Rehabilitation of the Project."

B. The Common Elements.

The Common Elements consist of all parts of the condominium other than the Units. This includes, without limitation, the structure of the Apartment Building and all of its public areas, including lobbies, halls and elevators, all utility apparatus serving more than one Unit or any part of the Common Elements, and the surrounding land on lots 355, "of-133", 134, 135, 136, 137, 138, 139, 140 and "of-141" on Square 156 (all taxed as Lot 840). The Office of the Surveyor, District of Columbia, has been requested to consolidate these lots into one numbered lot on Square 156, and the accompanying plat reflects this resubdivision.

The allocation of the undivided interests in the Common Elements will be made on the basis of par values assigned by the Declarant. Substantially similar Units have been assigned the same par values. Par values are stated in terms of points assigned to each Unit.

The point values shall not be deemed to reflect or control the sales price or the fair market value of each Unit and no opinion, appraisal, or fair market transaction shall affect the par values assigned to any Unit or undivided interests in the Common Elements, voting rights in the Unit Owners' Association, liability for Common Expenses, or rights to common profits assigned on the basis of those par values.

An owner's percentage share of the Common Elements, and of Common Expenses, may be calculated by dividing the number of par value points assigned to his Unit by the total number of par value points assigned to all Units. Thus, for example, with a total of 50,000 par value points assigned to all Units, a unit with 272 par value points has a .544% share of ownership of the Common Elements, and of the Common Expenses.

Renovation of the Common Elements has either begun or is expected to proceed in the manner and at the times explained in that portion of Section III of this Public Offering Statement entitled "Construction and Rehabilitation of the Project."

C. Limited Warranties.

1. Statutory Warranties. In accordance with the Condominium Act of 1976, the Declarant warrants each of the Units against structural defects for one year from the date the Unit is conveyed by the Declarant to a bona fide purchaser, and all of the Common Elements for a period of two years. The two-year warranty

regarding Common Elements shall begin as to each Common Element whenever the same has been completed or, if later, at the time the first Unit therein is conveyed.

Structural defects shall mean defects in components constituting any Unit or Common Element which reduce the stability or safety of the structure below accepted standards or restrict the normal intended use of all or part of the structure and which require repair, renovation, restoration or replacement. Nothing in this warranty shall be interpreted to make the Declarant responsible for any items of maintenance relating to the Units or to the Common Elements.

2. Additional Warranties. In addition to the statutory warranties on structural defects noted above the Declarant warrants the roof, guttering and downspouts, heating system, electrical system, plumbing system, hot water heater and tank, dry basement and air conditioning system against defective structure, materials and workmanship. This additional warranty applies only to these items and covers the cost of labor, materials and any related costs for a period of two years from the date the Unit is conveyed by the Declarant to a bona fide purchaser.

The Declarant also warrants the refrigerator, cooking range and oven, dishwasher and garbage disposal to be fit for the purposes for which they were made. The manufacturers' warranties on these appliances shall be assigned to the purchaser of the Unit to the extent possible. If there is no manufacturer's warranty on an appliance Declarant warrants the appliance against defective materials and workmanship for a period of one year from the date of the conveyance of the Unit.

3. Limits on Warranties. No action to enforce the statutory warranty in connection with structural defects may be brought after one year from the date the warranty period has expired, except for structural defects occurring within the warranty period but which are latent and undetected in fact; in the case of such latent defects, no action shall be brought after six (6) months from the date such defect is detected.

With respect to the Additional Warranties given by the Declarant, such warranties shall not include the cost of labor, materials and any related costs for damage intentionally or negligently caused by the Unit owner or occupant, and they shall not include maintenance work resulting from normal wear and tear.

In undertaking its remedial warranty work, Declarant shall not be responsible for damage to surface designs or decors different from the building standard decor offered by the Declarant which may be installed by Unit Owners either before or after the conveyance of the Units. For the purposes of this limitation, building standards offered by the Declarant shall be prime-painted walls and ceilings, exposed wood floors in all parts of the Units except kitchens and pantries, which shall have vinyl tile floors, and bathrooms, which shall have either vinyl tile or ceramic tile floors.

D. Compliance with Zoning, Housing and Building Codes.

The existing structure is located on Lots 345, "of-133", 134, 135, 136, 137, 138, 139, 140 and "of-141", Square 156 (all taxed as Lot 840). A resubdivision to consolidate these lots into one has been applied for. The property is now in an "S.P." (Special Purpose) District under the Zoning Regulations of the District of Columbia.

Three apartments (Apartments 102, 117 and 301) have been used by members of the medical professions for their respective practices. These units will be offered to the present tenants of these Apartment for purchase for use only as an owner-occupant, primary year-round residence. Apartment 102 presently has no kitchen. The vanity and medicine cabinet in the dressing room area of Apartment 301 are not presently in place.

Commonwealth Land Title Insurance Corporation has issued a Title Insurance Policy Commitment No. 801-413972, in which it agrees to insure Declarant, the Mortgagees, the Condominium and Unit Purchasers.

E. Construction or Rehabilitation of the Project.

The Declarant expects to undertake renovation of the Common Elements according to the schedule set out below. Renovation of the Apartment Units that is not incidental to Common Element work will be undertaken upon the vacating of the Units by the existing tenants or, in the case of Units being purchased by current tenants, at a time that is mutually acceptable to Declarant and the purchasers.

Work within the Apartment Units related to or essential in the prompt completion of renovation of the Common Elements, such as plumbing, electrical system modifications or weatherproofing of exterior walls and/or windows, if any such renovations or modifications are to be done, will be undertaken as required so that this work, once started, may proceed in a logical, economical and efficient manner. The Declarant will endeavor to notify tenants as far in advance as possible in the event it is necessary to enter any Apartment Unit in order to do this work. The Declarant anticipates that, due to the nature of the work, such notice may be very short in some instances.

Financing for the above work is provided to Declarant by the Maryland National Bank for \$750,000. Declarant believes that this source of funds will be adequate to allow completion of the renovation work. All Units will be conveyed free and clear of any liens related to the renovation work and the financing of such work.

The schedule for the renovation of the common areas is as follows:

<u>Item</u>	<u>Start</u>	<u>Completion</u>	<u>Duration</u>
Roof	5/79	6/79	1 month
Exterior Point-Up	11/78	5/79	6 months
Cooling Tower	2/79	4/79	3 months
Boiler Room	5/79	6/79	2 months
Entrance	10/78	12/78	2 months
Landscape	10/78	6/79	9 months
Lobby	10/78	12/78	2 months
Sundeck	5/79	6/79	2 months
Elev. Cabs.	11/78	12/78	2 months
Hallways	11/78	10/79	12 months

The renovation scheduled for the common areas and the Apartment Units will substantially conform with the reports on building conditions set out in Part I of this Section III. The Declarant intends to correct those items as noted in brackets next to the items or category of items in the various reports, in addition to the renovation plans noted below.

F. Building Exterior and Grounds, and Heating and Air Conditioning

1. Roof

The existing roofs will be redone with at least a "10 year bondable type" roof.

2. Exterior Point-Up.

Any loose brick joints or cracks in mortar and brick will be tuck-pointed or caulked to insure watertight masonry.

3. Cooling Tower

The deficiencies of the cooling tower cited in Section III-I of this Statement (engineers' reports) will be corrected.

4. Entrance

The main entrance and drive will be repaved. The present canopy will be replaced with a new modular space frame.

5. Landscaping

The 18th Street side and the Q Street side will be landscaped. The parking lot on the south side will be resurfaced and restriped and the area around the lot will be landscaped.

6. Heating and Air Conditioning

The Declarant will make a number of improvements, including insulation of oilpiping in the garage, replacing insulation in the chiller, and insulating all piping where needed, replacing the centrifugal type utility exhaust fans on the roof where needed, replacement of the room air conditioning unit in the bicycle storage room and replacement of the rooftop machine room exhaust fan wheel. In addition, Declarant will: (a) have the Carrier Centrifugal air conditioning unit internally inspected and have all worn parts replaced; dip and bake the hermetic motor; analyze the cooler and condenser tubes for wear; replace as required; clean the cooler tubes as required; completely overhaul the purge system; dip and bake the oil pump motor; overhaul the oil pump; clean the oil cooler; overhaul the economizer floats; completely overhaul, adjust and/or repair as required the starter controller; replace both drive shafts and drive shaft Bearings on the cooling tower; disassemble the cooling tower and circulating pump motors; clean the windings; check the motor bearings; replace as required; and replace the cooling tower screens.

7. Garage Door

A new garage door and opening/closing mechanism will be installed.

G. Building Interior Public Areas.

1. Lobby

The entire lobby will be completely refurbished. Sherman Associates has designed a plan that calls for placing the front desk to the right as you enter and putting down a simulated slate foyer by the entrance and installing new flooring, lights, furniture, drapes etc.

2. Hallways

Floors, walls and ceilings will be redecorated. New lights will be installed. Entrance doors will be repainted and new lock cylinders will be installed on the dead bolt lock and a new bottom lock will be installed, both of which will be master keyed.

3. Elevators

The elevator cab walls will be relaminated. The flooring will be replaced and a new ceiling and light will be installed.

in each cab. After renovation of the building the elevator mechanisms will be thoroughly cleaned and checked.

4. Sundeck

When the new roofing is installed a new sundeck will be installed.

H. Apartment Improvements.

Unless otherwise agreed between Declarant and prospective purchaser or as outlined in Section VI of this Public Offering Statement, each Apartment Unit will be improved as set forth below.

1. Unit Kitchens

The existing kitchen cabinets, appliances, and light fixtures will be removed. New wood cabinets, laminated countertops, new fluorescent light fixtures and a stainless steel sink and faucet will be installed.

The new appliances will consist of an electric frost-free refrigerator, a continuous cleaning gas range, a dishwasher and a disposal. The kitchen floor will be "low maintenance" vinyl sheet goods. The kitchen exhaust duct will be cleaned behind the grill. Note: Because of the local electrical code and for reasons of safety and convenience, Units in tiers 01, 15 and 16 will not be improved with a "double oven" continuous cleaning gas range. Units in tier 01 will have 24 inch rather than 30 inch ranges.

2. Unit Heating and Air Conditioning

All apartment fan coil units will be cleaned, and any faulty parts will be replaced or repaired. Individual convective units will be overhauled and cleaned, with faulty units and motors to be repaired or replaced as needed.

3. Unit Baths

The bathroom light fixture will be replaced, and the bath exhaust duct will be cleaned behind the grill. A new vanity, medicine cabinet, wall covering and shower head will be provided in all bathrooms.

4. Unit Point and Painting

All wall and ceiling plaster surfaces will be plaster-pointed as necessary and walls and ceilings will be painted by the Declarant.

5. Unit Floors

The existing wood parquet floors will be sanded and sealed with two coats of polyurethane.

6. Unit Windows

Any broken windows or missing screens will be replaced by the Declarant. All windows will receive 1" white venetian blinds (mini-blinds) to create a uniform exterior appeal.

7. Unit Miscellaneous Items

New light fixtures will be replaced in the dining room. A new light shade will be provided in bedrooms. (Efficiency units will not receive the dining room fixture or bedroom fixture cover.) A new lower lock and a new cylinder on the upper lock on the front door will be installed. A mechanical punchout will be performed.

I. Condition of Structure

The general structure of the Apartment Building was inspected on August 7, 1978, by S.S. Cooper, P.E., of Tadjer-Cohen Associates Inspection Company, Ltd., 1109 Spring Street, Silver Spring, Maryland. The mechanical facilities of the building were examined on August 25, 1978, by David Abrams, P.E., consulting Engineer, 7826 Eastern Avenue, N.W., Washington, D.C. The electrical facilities of the building were examined on August 25, 1978, by Alex R. Perez, P.E., Consulting Engineer, 3027 Rosemary Lane, Falls Church, Virginia. The results of these reports are as follows, with the intentions, if any, of the Declarant with respect to the items in the report noted in brackets.

1. Structural Components

The report of Tadjer-Cohen Associates Inspection Company Ltd., dated August 7, 1978, states as follows:

SCOPE OF INSPECTION:

Inspect the structural condition of this Apartment House.

FINDINGS/RECOMMENDATIONS:

- A. This 9 story building, built about 17 years ago, is in good condition except for two important exceptions and several minor discrepancies, as follows:

1. Roofs:

(a) Main roof:

- 1) There was excessive standing water in the northeast part of the roof and an additional drain is indicated.
- 2) There were numerous bare spots indicating a need for additional protective gravel.
- 3) There were numerous large blisters which must be repaired before they start leaking.
- 4) There were cracks (3 places) in the back stairway skylight glass panes which should be replaced. Skylight edges should be caulked.
- 5) The sun deck concrete is cracked in many places and needs repair or replacement.

(b) Elevator machinery room level:

- 1) The outside portion under the cooling tower has standing water, debris and is in poor condition and needs repair.

(c) Elevator machinery room roof:

- 1) There were bare spots and exposed asphalt roof roll seams - needs roofing cement and additional gravel.
- 2) Coping stones caulking has deteriorated; recommend elastomeric caulking be provided.
- 3) Elevator machinery room wall has hairline cracks in the cement blocks which should be pointed up.

Note: a very good investment against future leaks would be to have all three roofs, above, to be redone because in trying to repair all the blisters one would, in effect, be ripping up a very large portion of the roof.

[Declarant intends that the roofs will be redone with at least a "10 year bondable type" roof.]

2. Interior:

- (a) The garage concrete wall has vertical hairline cracks at parking spaces 36 and 37. Also has hair-

line cracks with water stain at parking spaces 29, 30, 31, 32, 33, 35 and 38. The latter indicate entry of exterior water. The grade on the outside is level and should be sloped away from the building. On the inside the cracks should be gouged out about one inch and ferrited.

- (b) The garage cement block wall had a vertical (thru-block) crack between parking spaces 13 & 14. Between parking spaces 10 & 11 there was a hairline stairway - type crack in the mortar joints. Both should be tuck and pointed on both sides of the wall.
- (c) The ceiling near the garage entrance door has missing fireproofing panels which should be provided.
- (d) The corridor to the boiler room had stairway - type cracks in 3 places which should be tuck and pointed.
- (e) The back stairway at the 9th floor had a hairline plaster crack which needs painting.
- (f) There are plaster cracks above the corridor door at Apt. 910, Apt. 111 and a diagonal hairline crack at the back stairway - all of which need pointing up.
- (g) In Apt. 804 (empty), the living room parquet flooring is warped out of plane in several places and 2 window panes are cracked.
- (h) In Apt. 516, the parquet flooring was warped from moisture from the heating and air conditioning unit. The occupant also claims that the windows sweat heavily in the summer and winter. It must be assumed that this moisture condition exists in other apartments as well, to which I was denied entrance by the rental manager.

[The Declarant intends to correct all deficiencies cited in (a) through (f) above. With respect to (g) and (h), all broken or cracked parquet tiles will be replaced.]

3. Exterior:

- (a) There was a crack at the loading dock walk which should be pointed up.
- (b) There was a profusion of ivy foliage in the alley recessed walls which should be removed to prevent deterioration of the mortar.
- (c) At the front entrance there were cracks in the marble floor in the marble facing which should be replaced with brilliant-white mortar to match the marble.
- (d) There were water stains on the brick on both sides of the canopy which should be cleaned and down-sprouts provided.
- (e) Some of the flagstone walk in the front is depressed, presents a possible tripping hazard and should be levelled off. Also the raised flagstone level has lost its mortar and should be pointed up.

- (f) Some of the first floor stone window sills on Q St. are delaminating and need replacement.
- (g) There were 6 panes of glass cracked on Q St. which require replacement.
- (h) There was a heavy crack in the concrete edge curb at the NE which should be pointed up.
- (i) There were 4 heavy cracks in the garage approach slab which need pointing. At the building line there was a depressed portion which should be ramped and feathered out because it presents an axle-breaking and tripping hazard.
- (j) At the left side of the garage door, the steel lintel ends short of the brick above which is unsupported and shows sign of stain. Extend the steel lintel about 12" by welding, to support the brick above it.

[The Declarant intends to correct all deficiencies cited above except for item (f).]

2. Plumbing and Heating Facilities

The report of David Abrams, P.E., Consulting Engineer, with regard to plumbing and heating facilities follows. This report includes a statement of the average age of the system components, the average estimated years of useful life, and the estimated replacement cost thereof.

A. General: The building is approximately 16 years old. There are 195 living units on nine stories plus basement. The basement houses the boiler room, parking garage, storage areas, etc.

B. Plumbing:

1. Soil, waste, vent and storm drainage piping is cast iron soil pipe and galvanized steel and in good condition.
2. Domestic water piping is copper tubing and fittings and in good condition.
3. Flashings on plumbing stacks through roof are in fair condition and only some minor refurbishing is required. Roof drains are in good condition.
4. Bathroom plumbing fixtures are original building equipment and in fairly good condition. All water closets have fairly new flush tank sets.
5. Each kitchen has an enameled cast iron counter top sink with garbage disposal. There is also a dishwasher in each kitchen. About one-half of the garbage disposals and one-half of the dishwashers are fairly new, the balance being original building equipment. All equipment appears to be in good working order.
6. Each apartment kitchen has a built-in gas range and a built-in wall gas oven. Gas is centrally metered in the boiler room, there being no individual apartment meters. Gas piping appears to be in good condition.
7. Domestic hot water is generated in a shell and a tube heat exchanger. A pump circulates boiler water to the heat exchanger to heat the incoming water. There is a hot water recirculating pump for the system as well. Domestic water heating equipment appears to be in serviceable condition.

8. There is a central laundry room in the basement with coin operated equipment which is maintained by an outside vendor.

9. The garage is fully sprinklered. There is a fire stand-pipe with valved outlet at every floor in one of the stairwells.

[The Declarant intends to complete the minor refurbishing needed on the plumbing stack flashings as cited in 3 above. New dishwashers and garbage disposals are to be provided unless otherwise agreed between Declarant and purchaser.] No other significant deficiencies in plumbing were cited.

C. Heating, Ventilating and Air conditioning:

1. The heating and cooling of the building is accomplished with a central, two-pipe chilled-hot water system. Chilled water is circulated in summer and hot water is circulated in winter to individual terminal air conditioning units in each of the apartments as well as to central air handling equipment. Summer-winter changeover is accomplished manually in the boiler room.

2. Heating hot water is generated in two packaged steel fire-tube boilers. The boilers are fired with No. 4 oil and forced-draft oil burners. Boilers, burners and trim appear to be in fairly good condition. There have been no boiler tube leaks within the past year, according to the building engineer.

3. The oil is transferred from the storage tank to the oil burners by means of a duplex pump set in the garage. At time of survey, one pump was removed for repair. The other pump shows leaking seals and operates very noisily. The overhead oil piping in the garage is insulated but the insulation is deteriorating.

4. A nominal 250 ton centrifugal refrigeration machine produces chilled water for the air conditioning system. The chiller appears and sounds to be in good working order. Insulation on the chiller is somewhat deteriorated.

5. The main circulating pumps are the base mounted, end suction centrifugal type, 15 hp each. They are arranged in a three pump lashup for chilled-hot water, standby and a condenser water duty. A separate centrifugal pump circulates hot water only to bathroom heating convectors and heating and ventilating equipment in the garage and miscellaneous areas. All pumps appear to be in serviceable condition, operating smoothly. Some motor replacements over the years are apparent, although the pumps themselves are original building equipment.

6. There are central air handlers using chilled-hot water for the corridors and the lobby areas. The corridor system supplies ventilation air to each floor through a system of duct work; roof fans exhaust air from the ends of the corridors on each floor.

7. The garage has a heating and ventilating unit to supply ventilation air as well as hot water unit heaters for space heating. An exhaust fan completes the garage ventilation system.

8. Chilled-hot water piping is in fairly good condition but in the garage and several basement areas, insulation on this piping is deteriorating and condensation on the piping results. Insulation should be refurbished to prolong the life of the piping and prevent nuisance dripping. Piping located outdoors should be freeze protected. Condensate drain line from lobby air handling unit is very rusty.

9. There are central exhaust systems for all kitchens and bathrooms. Centrifugal type utility exhaust fans are mounted on the roof for these systems. Some of these fans should be checked for bearing noise, fan wheel imbalance, etc., as there have been complaints of noise and/or vibration. Most of the fans are extremely quiet and in good working condition.

10. Room air conditioning units are the vertical cabinet fan coil type. A wall mounted thermostat with manual heating-cooling switch controls the operation of the units. The units are in fair condition but general refurbishing and cleaning is required. The unit in the bicycle storage room is totally incapacitated.

11. The rooftop elevator machine room exhaust fan has a damaged fan wheel. It is recommended that the fan be repaired and that a thermostat replace the manual fan switch.

12. The cooling tower is roof mounted and is the forced air centrifugal fan type. The tower appears to be in fair condition. Piping exposed to the weather has been well maintained and protected. There is water treatment for the condenser water system.

[The Declarant intends to do the following: both oil pumps will be replaced and the deteriorating oil piping insulation in the garage will be replaced (3); deteriorated insulation on the chiller will be replaced (4); deteriorated insulation on the chilled-hot water piping will be replaced, piping outdoors will be freeze protected and the condensate drain line will be replaced (8); centrifugal type exhaust fans in kitchens and bathrooms will be checked and repaired as necessary (9); fan motors and condensate pans in room air conditioning units that need to be replaced will be replaced, fan coil units will be cleaned and the unit in the bicycle storage room will be replaced (10); and the fan wheel for the exhaust fan in the rooftop elevator machine room will be repaired and a thermostat will be installed (11).]

D. Approximate Age, Useful Life and Replacement Costs:

Approximate age, useful life and replacement costs of major components are summarized below. Replacement costs are based on current price trends and do not include extensive removal, demolition or general construction that may be required. The useful lives and replacement costs are estimates only, based on experience and available data; no guarantees or warranties are expressed or implied.

<u>Item</u>	<u>Approximate Age (Years)</u>	<u>Estimated Useful Life Remaining</u>	<u>Estimated Replacement Costs</u>
Bathroom fixtures and fittings	16	14	\$750/bathro
Kitchen sink, fittings, disposal	10 (avg)	12 (avg)	\$300 each
Dishwasher	10 (avg)	7 (avg)	\$300 each
Soil, waste, vent, storm piping	16	34	\$82,000/bui
Domestic water piping	16	34	\$50,000/bui
Chilled-hot water and condenser water piping	16	24	\$130,000/ building
Apartment fan coil units	16	8	\$350 each
Boiler/burners	16	14	\$12,000 each
Water chiller	16	8	\$45,000
Cooling tower	16	5	\$15,000
Domestic water heat exchanger	16	6	\$2,200
Garage unit heaters	16	9	\$200 each
Garage H&V unit	16	9	\$3,750
Corridor air handling unit	16	9	\$5,000
Lobby air handling unit	16	9	\$2,000
Roof exhaust fans	16	9	\$600
Main pumps	16	8	\$3,500 each
Fuel oil pumps	16	2	\$800/set

3. Electrical System

The report of Alex R. Perez, P.E., Consulting Engineer, has been inserted herein. It also states the average age of the system components, the average estimated years of useful life, and the estimated replacement cost of the components. The report is as follows:

Report on condition of electrical systems and recommendations for improvements, based on survey performed on August 25, 1978:

A. Existing Conditions

1. Living units

a. Light fixtures are functional and of an attractive design. Most rooms, including bedrooms, have ceiling fixture outlets. Living rooms have switched receptacles.

b. Receptacle facilities are adequate except in the kitchen; where not enough outlets are provided. Receptacles are not of the grounding type.

c. Apartment panels are typically rated at 120/240 volts, single phase, 3 wires, 50 amps, plug fuse type. A sufficient number of circuits are provided for lights and appliances which include dishwasher and disposer. An adequate number of blanks for possible future use are also provided. Capacity is therefore adequate to serve any foreseeable load (other than space heaters, ranges, or major appliances). Existing ranges are gas.

d. A spot check at several locations showed the wiring to be in good condition.

e. All apartments have more than adequate telephone and TV facilities.

[The Declarant does not intend to provide additional receptacles as cited in b. above.]

2. Common elements

a. The light fixtures in the main lobby, corridors, and other common areas appear to be in fair condition and provide an acceptable level of illumination. Corridor fixtures have 40 W clear incandescent bulbs.

b. Fire alarm system: Good condition, by Ellenco.

c. Emergency and exit lights: Good condition and good coverage. No generator or stand-by source of power exists, however.

d. Elevator motors and controls: Good condition, by Westinghouse.

e. Boiler and chiller service: Good condition.

f. Laundry rooms: Good condition with good fluorescent lights.

g. Stair lights consist of bare bulbs, which at present are lamped down to a minimum, but can take up to 75 watts.

h. Garage lighting consists of bare fluorescent tubes over the traffic lanes only. No guards are provided. Entrance traffic light needs replacement.

[The Declarant intends to replace the fixtures in the lobby and corridors (a). No generator or stand-by equipment is to be provided (c). No guards on the lights in the garage will be provided, and the entrance traffic light will be replaced (h).]

3. Service equipment

a. The building is supplied by PEPCO with 120/208 volts, 3 phase, 4 wires of electric power. There is 1-1200 AMP service for the refrigerating plant, 3-600 AMP switches for the apartment distribution panels and 1-400 AMP switch for the boiler room and other common area loads. The entire building is on a single master electric meter. The distribution panels

for the apartments are located on the lower level and are of the switch and fuse type, rated 600 AMP. The incoming power is sufficient to supply the building for the foreseeable future, unless it is converted to electric heat. Main switchboard is of Square D manufacture.

B. Recommendations

1. Since none of the electrical systems is in dire need of correction, any improvement shall be more or less at the discretion of the owner.

The conversion from central to individual metering would prove Extremely costly since the apartment panels are now connected in risers and individual feeders would be required. Moreover, about 50% of the load, namely, the heating and air conditioning, cannot be separated since they are supplied from central plants.

[The Declarant is not installing individual metering.]

C. Expected lives and replacement costs

<u>Item</u>	<u>Approximate present age (years)</u>	<u>Estimated remaining life* (years)</u>	<u>Estimated 197 replacement cost</u>
Light fixtures	15-20	20	\$115,000
Wiring devices	15-20	20	\$ 25,000
Wire	15-20	20	\$130,000
Apartment panels	15-20	20	\$ 35,000
Distribution panels	15-20	25	\$ 25,000
Service equipment	15-20	25	\$ 35,000
Fire alarm system	15-20	20	\$ 4,000

*Lives listed are estimated average lives. For each item category, individual failures are likely to occur before life term indicated. No express or implied guarantee shall be inferred from the above schedule of estimated lives.

4. Boilers

The report of The Hartford Steam Boiler Inspection and Insurance Company dated November 6, 1978, states as follows:

The following equipment was carefully examined by Inspector D.C. Spinelli and the following conditions were noted.

Cleaver-Brooks F.T. S.M. Blr. No. NB-HSB18227 (1961)
Location: 1541 - 1545 - 18th Street, N/W
Washington, D.C. 20036

During the course of an inspection on this boiler on 9/27/78, it was noted at least three and possibly more tubes were leaking. We recommended that a hydrostatic test be performed so as to correctly determine the exact points of leakage and the subsequent repair or replacement of the tubes as was deemed necessary.

We have been informed by Inspector Spinelli that these conditions have been corrected and the boiler is now back in service.

Cleaver-Brooks F.T. S.M. Blr. No. NB-HSB12333 (1961)

It was noted that at least five (5) tubes are badly notched, parallel to the length of the tubes. Three tube ends were noted to be badly burnt and at least 13 more were noted to be leaking. The recommendation was made that the first pass tubes be renewed at this time. We understand that the boiler is presently being retubed completely and should be returned to full service during the week of November 7, 1978.

It is our opinion that, with the proper preventive maintenance and chemical treatment, there is no reason why these boilers should not reach or exceed their expected life which we consider to be approximately 20 years.

IV. THE DECLARATION AND THE BYLAWS.

A. The Declaration.

The Condominium is established under the Condominium Act by the recording of a Declaration and appropriate Flats and Plans. A copy of the Declaration is attached as Exhibit IV-A. The Declaration defines the terms that are used in the Condominium Instruments and describes both in words and by reference to the recorded Flats and Plans of the Condominium project those Units and Common Elements which are included in the Condominium. The Declaration also states the par values of the Units, which determines their votes in Condominium matters and their relative share of ownership of the Common Elements and their responsibility for Common Expenses. The Declaration also describes and establishes various easements and rights in favor of the Declarant to facilitate conversion and sales and other easements and rights in favor of the Condominium Board of Directors and management. The Declaration also reserves the right of the Declarant to lease Units that it retains.

B. The Bylaws.

The affairs of the Condominium will be conducted in accordance with the Bylaws. The Bylaws are recorded as Exhibit B of the Declaration. A copy of the Bylaws is attached to this Public Offering Statement as Exhibit IV-B. The operation of the Condominium under the Bylaws is explained in detail in Section V.A. of this Public Offering Statement. The Bylaws contain, among others, sections describing the workings of the Unit Owners' Association and the Board of Directors, and setting forth detailed guidelines for the operation of the Condominium including the maintenance of insurance, the repair and renovation of the property after fire or other casualty, the rights of mortgage lenders, the authority of the Condominium to enforce rules, and the obligations of owners to pay their shares of Common Expenses. The Bylaws also state restrictions on the use of Units and the current Rules and Regulations of the Condominium. The Bylaws also state the procedures to be followed in order to amend the Bylaws.

C. Restrictions on the Use of Units and Common Elements; Rules and Regulations.

Restrictions governing the use of Units and Common Elements are stated in the Bylaws as part of Article V, Section 8. In addition, that Section also authorizes the Board of Directors to promulgate Rules and Regulations for the use of Units and the Common Elements.

The restrictions currently included in the Bylaws are the following:

(a) Each Unit and the Common Elements shall be occupied and used as follows:

(1) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property or any part thereof applicable for residential use without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste shall be committed in the Common Elements.

(2) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies

having jurisdiction thereof shall be observed. Those laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion or use of the Property to be complied with shall be complied with by and at the sole expense of the Unit Owner or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the Property, and, if the latter, then the cost of such compliance shall be a Common Expense.

(3) Nothing shall be altered or constructed in or removed from the Common Elements except upon the prior written consent of the Board of Directors.

(4) 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.

(5) No Apartment Unit shall be rented for transient or hotel purposes or in any event for any period less than six (6) months. No portion of any Apartment Unit or Parking Unit (other than the entire Unit) shall be leased for any period. No Unit Owner shall lease an Apartment Unit or Parking Unit other than on a standard form of lease approved by the Board of Directors and each Unit Owner shall, promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Directors. The foregoing provisions of this subparagraph shall not apply to the Declarant, or to a Mortgagee in possession of a Unit as a result of a foreclosure or other judicial sale or as a result of any proceeding in lieu of foreclosure, during the period of such Mortgagee's possession.

(6) No trailers, campers or boats may be parked on the Property. 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.

(7) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements; except that the keeping of a reasonable number of small, orderly domestic pets (such as dogs, cats, caged birds or fish in small table-top tanks) (hereinafter referred to as "permitted pets") is permitted without the prior approval of the Board of Directors, but subject to any Regulations adopted by the Board of Directors; provided, however, that such permitted pets are not kept or maintained for commercial purposes or for breeding and provided, further, that any such permitted pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon three days written notice from the Board of Directors. Any Unit Owner who keeps or maintains any pet, permitted or otherwise, upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Condominium, each Unit Owner, and the Declarant free and harmless from any loss, claim or liability of any character whatever arising by reason of keeping or maintaining such pet within the Condominium.

(8) The Board of Directors shall have the right from time to time to prescribe limits on the size, weight or type of vehicles using the parking garage or any of the Parking Units.

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(9) Nothing shall be affixed to the exterior of the Building, including but not limited to, window air conditioners, television or radio antennas, or other electrical connections, except in such manner as may be approved or prescribed in writing by the Board of Directors.

(10) Each Apartment Unit owner shall (a) have carpeting installed over at least eighty percent (80%) of the floor area, excluding the kitchen, of the Unit within thirty (30) days of occupying the Unit; and (b) shall maintain in good condition one-inch venetian blinds installed by the Declarant.

(11) All residential unit occupants shall be required to maintain the 1" wide white venetian blinds conveyed with the Unit by the Declarant. A similar sized and colored blind shall be reinstalled by Unit occupants.

(12) No Unit Owner shall place or cause or permit to be placed on or in the public halls, stairways or other Common Elements (other than in the areas designated as storage areas) any bicycles, furniture, packages or objects of any kind. The halls and stairways shall be used for no purpose other than for normal transit.

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

D. Encumbrances.

The Condominium will be subject to certain easements created by the Declaration and by the Condominium Act. These easements are:

(1) Easements for Encroachments. This easement protects Unit Owners and the Unit Owners' Association in the event that a Unit or a Common Element encroaches upon another Unit or Common Element.

(2) Easement to Facilitate Conversion. This easement allows Declarant to make improvements on the property and to do other acts relating to the conversion of the project to condominium use.

(3) Easement to Facilitate Sales. This easement allows the Declarant to use any unsold Units in the Condominium as models or as sales offices and to place advertising signs anywhere within the Condominium.

(4) Easement for Ingress and Egress. This easement grants every Apartment Unit Owner the right of access to the Common Elements, subject to rules, regulations and restrictions established by the Unit Owners' Association.

(5) Easement for Access to Units. This easement allows authorized representatives of the Unit Owners' Association, including the Declarant and the Managing Agent, the right to enter any Unit to the extent necessary to correct conditions threatening other Units or the Common Elements, to make repairs to Common Elements which are accessible only from the Unit, or to correct conditions that constitute violations of the Declaration, Bylaws, or Regulations of the Condominium. Notice must be given to the Unit Owner prior to entry except in emergencies, when the Unit may be entered without notice. In the event of a violation of the Declaration, Bylaws, or Regulations, the violation may be corrected without the consent of the Unit Owner and the Unit Owner may be charged with the resulting expenses.

(6) Guaranteed Management Access. Unit Owners must provide the management agent with key(s) to their Units.

Other than matters discussed in the Section entitled "Zoning, Housing and Building Codes" and the Section entitled "Restraints on Alienation" in this Section IV, there are no other covenants, easements, licenses, servitudes, or other devices by which any party other than the Unit Owners' Association or the Managing Agent (1) may restrict a Unit Owner's use and enjoyment of his Unit or (2) is empowered to do anything or cause anything to be done on or to an individual Unit.

E. Current Financing Liens.

The Condominium property is currently subject to a Deed of Trust securing certain loans affecting the property. The Declarant is required by law to arrange the release of such liens on any Unit sold. The Units will be conveyed free of any liens other than those placed on the Units by the purchasers.

F. Restraints on Alienation.

The Bylaws state that no owner shall be permitted to sell, lease, mortgage, pledge, devise, or otherwise transfer his Unit unless all Common Expenses assessed against the Unit are paid.

The Bylaws also provide that no Unit may be rented for transient or hotel purposes or in any event for any period less than six (6) months. No portion (as opposed to the whole Unit) may be rented. Affected Mortgagees must consent before any Unit Owner or the Unit Owners' Association may change the Ownership Interest or obligations of any Unit.

G. Secondary Mortgage Market.

The Condominium Declaration and Bylaws are intended to satisfy the special requirements established by the Federal Home Loan Mortgage Corp., a federally chartered institution, which maintains a secondary market for condominium unit mortgages.

V. OPERATION OF THE CONDOMINIUM.

A. Unit Owners' Association.

All of the Unit Owners acting as a group constitute the Unit Owners' Association. Under the Condominium Declaration and the Bylaws, the Unit Owners' Association has the responsibility of administering the Condominium, establishing the means and methods of collecting contributions to Common Expenses, arranging for the management of the Condominium, and performing other acts that may be required or permitted by law.

The day-to-day operations of the Condominium will be performed by the Board of Directors of the Condominium or the Managing Agent retained by the Board.

Operation Under the Bylaws.

The following paragraphs summarize important provisions of the Bylaws that implement this plan of operating the Condominium. A full copy of the Bylaws is attached to this Statement as Exhibit B to the Declaration.

(1) Board of Directors and Officers. The Board of Directors shall consist of five (5) persons and shall provide for the maintenance of the facilities and services of the Condominium and determine the total amount of assessments for Common Expenses to be paid by all Unit Owners. The usual term of office of members of the Board shall be three (3) years. (A "staggered" series of terms ranging from one to three years shall be used for members of the first Board elected by the Unit Owners' Association.) All members of the Board of Directors shall serve without compensation from the Condominium for acting as a Director.

The officers shall consist of the President and Vice President, who shall be chosen from among the members of the Board of Directors, and a Secretary-Treasurer. All officers shall be elected by the Board of Directors. After the Board of Directors is elected by the Unit Owners and seventy-five percent (75%) of all Units have been conveyed by the Declarant, all members of the Board of Directors and the President and Vice President must be Unit Owners or spouses of Unit Owners.

(2) Control by Declarant. The initial Board of Directors shall be designated by the Declarant. After twenty-five percent (25%) of the Units have been conveyed, a special meeting of the Unit Owners' Association shall be called and two members of the Board shall be selected by Unit Owners other than the Declarant. At the first annual meeting of the Unit Owners' Association (which will take place after 75% of the Units have been conveyed), the Directors designated by Declarant shall be replaced by Directors elected by the Unit Owners, including Declarant. Declarant's right to designate members of the Board of Directors shall expire two (2) years after the conveyance of the first Unit or after seventy-five percent (75%) of the undivided interests in the Common Elements are conveyed, whichever occurs first. Declarant shall, however, always be entitled to vote as a Unit Owner for so long as Declarant owns any Units.

The persons appointed by Declarant to the Board of Directors are Conrad Cafritz, Peter N.G. Schwartz, Marvin Price, Lorraine Ercolano and Marilyn Angelino. All are either officers or employees of or in some manner affiliated with the Declarant.

(3) Voting. Each Unit Owner shall be entitled to cast a vote at all meetings of the Unit Owners' Association equal to his Ownership Interest in the Common Elements belonging to the Unit or Units owned by him. The presence in person or by proxy of Unit Owners of fifty percent (50%) or more of the aggregate Ownership Interests in the Condominium shall constitute a quorum at all meetings of the Unit Owners' Association and, in most cases, the vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners. A vote of two-thirds in Ownership Interest of all Unit Owners entitled to vote at a meeting held for such purpose shall be necessary to amend or modify the Bylaws unless otherwise provided in Article X of the Bylaws or the Condominium Act. Certain amendments may require the consent of parties holding first mortgages on trust deeds on Units.

Special meetings of the Unit Owners' Association may be held from time to time, whenever necessary to conduct the affairs of the Condominium.

(4) Common Expenses. The Common Expenses payable by each Unit Owner from time to time in accordance with his Ownership Interest in the Common Elements shall be based upon budgets prepared annually by the Board of Directors. Each Unit Owner shall be advised promptly after the adoption of each budget of the amount of Common Expenses payable by him for the period covered by such budget. The Declarant shall pay the Common Expenses allocable to Units owned by it.

(5) Maintenance and Repairs. All painting, decorating, maintenance, repairs and replacements to the Common Elements shall be made by the Board of Directors. The cost of such work shall be charged to all Unit Owners as a Common Expense, except to the extent that it is necessitated by the negligence, misuse or neglect of a Unit Owner, as determined by the Board of Directors, in which case such expense shall be charged to such Unit Owners. Costs of repairs and maintenance of the parking garage, the parking spaces outside the garage and any limited common elements appurtenant to them shall be charged only to the owners of Parking Units.

All painting, decorating, maintenance, repairs and replacements to any Unit, other than to the Common Elements contained therein, shall be at the Unit Owner's expense.

The Board of Directors and the Managing Agent shall have the right of access to any Unit, at reasonable times for necessary repairs and, in the case of emergency, when required to protect the Common Elements or other Units.

(6) Insurance. The Board of Directors shall obtain and maintain an "all-risk" form policy of fire insurance, with extended coverage, insuring the Buildings containing the Units (including the bathroom and kitchen fixtures initially conveyed with the Units by the Declarant, but not including wall coverings, fixtures, furniture, furnishings or other personal property supplied or installed by Unit Owners), together with all service machinery contained therein and covering the interests of the Condominium,

s
the Board of Directors and all Unit Owners and their Mortgagees, as
their interests may appear. The cost of all such insurance shall
be paid by the Board of Directors and shall constitute a Common
Expense.

The public liability insurance policy to be obtained by the
Board of Directors will be in the amount of not less than
\$1,000,000 covering all claims for bodily injury and for property
damage arising out of any one occurrence in the Common Elements.
However, such policy will not cover the individual liability of a
Unit Owner arising from occurrences within his own Unit. A Unit
Owner should insure against such liability by purchasing insurance
for such purpose at his own expense.

Unit Owners should also carry insurance for their own benefit
insuring their carpeting, flooring, wall coverings, fixtures,
furniture, furnishings, any replacements by a Unit Owner of bath-
room, kitchen and utilities fixtures conveyed by Declarant, and
other personal property. Individual insurance policies should
contain waivers of subrogation against unit owners and provide that
the liability of the carriers issuing insurance procured by the
Board of Directors shall not be affected or diminished by reason of
the Unit Owner's individual insurance.

In the event of casualty loss, the Board of Directors will
arrange for repair of the Common Elements. In the event the
insurance proceeds are not sufficient to cover the costs of repairs
to the Common Elements surrounding Units, the balance of the cost
of such repairs will be assessed against all Unit Owners.

(7) Improvement; Costs. The Board of Directors may
make alterations and improvements to the Common Elements without
obtaining the prior consent of the Unit Owners' Association if such
alterations and improvements do not cost a total of more than
\$5,000 in any one year.

No Unit Owner shall make any structural alteration, addition
or improvement in his Unit without the prior written approval of
the Board of Directors, but this provision shall not apply to Units
owned by the Declarant until such Units have been initially con-
veyed by the Declarant.

(8) Liability of the Board of Directors and Unit Owners.
Any contract or other commitment made by the Board of Directors or
the Managing Agent is made only as agent for the Unit Owners, and
the members of the Board of Directors or the Managing Agent, as the
case may be, shall have no personal liability on any such contract
or commitment (except as Unit Owners or for individual willful
misconduct or bad faith). The liability of any Unit Owner on any
such contract or commitment shall be limited to such proportionate
share of the total liability thereunder as the Ownership Interest
of such Unit Owner bears to the aggregate Ownership Interests of
all Unit Owners. The Board of Directors shall have no liability to
the Unit Owners for errors of judgment, negligence or otherwise,
except for willful misconduct of the members of the Board of
Directors. In addition, the Board of Directors shall obtain
adequate fidelity coverage to protect against dishonest acts on
the part of officers, directors, trustees and employees of the Unit
Owners' Association and all others who handle, or are responsible
for handling, funds of the Unit Owners' Association, including the
Managing Agent.

B. Management.

Pursuant to the Bylaws, the Board of Directors is required to employ a Managing Agent to act on its behalf. The Bylaws (Article III, Section 3) also outline the duties and responsibilities of the Managing Agent and certain terms of the Management Contract.

Generally, the Managing Agent will perform all duties of the Board other than policy making, acquiring property, borrowing money, or opening bank accounts. The Managing Agent shall hire at the expense of the Unit Owners' Association all personnel necessary for the efficient operation, maintenance and repair of the Condominium. The Managing Agent shall collect all assessments due from Unit Owners, cause the Common Elements to be maintained and repaired, contract with others for services necessary to the operation of the Condominium, place and keep in effect all insurance requested by the Board of Directors, make disbursements for salaries, materials and services necessary to the operation and maintenance of the Condominium, prepare all forms and reports which the Condominium is required to file, prepare and maintain complete records of all receipts and disbursements of the Unit Owners' Association, prepare an operating budget for the Condominium for submission to the Board of Directors and the Unit Owners' Association, and inform and advise all Unit Owners of the state of affairs of the Condominium. The Managing Agent shall deposit the funds of the Unit Owners' Association in such accounts as the Board of Directors may designate.

Unless terminated pursuant to its terms, any Management Agreement with the Agent shall remain in effect for two (2) years. The Management Agreement will provide for termination by the Unit Owners' Association for cause upon thirty (30) days written notice, and ninety (90) days written notice without cause. The Unit Owners' Association shall indemnify and hold harmless the Managing Agent against actions for damages arising during the performance of its management duties in behalf of the Unit Owners' Association except when due to the gross negligence or willful misconduct of the Managing Agent or its employees.

The Board of Directors will negotiate an appropriate agreement with a professional management company. However, such agreement has not yet been executed. Attention is directed to the budget attached to the Financial Matters section below in connection with the effect of the anticipated management fees on the Condominium's budget.

C. Financial Matters.

As indicated above in Section A ("Unit Owners' Association"), Unit Owners will be assessed to obtain the funds necessary to meet the budget of the Unit Owners' Association. The assessments will be made on an annual basis, but payment of the assessments will be on a monthly basis. On the first day of each month, each Unit Owner will pay an installment of 1/12th of the amount of the annual assessment.

The expenses of operation, maintenance, repair, improvement, or alteration of the Common Elements will be assessed to each Unit Owner on the basis of his Ownership Interests in the Condominium.

Each Unit Owner will be responsible for the payment of that percentage of the total annual budget that is equal to the Ownership Interest pertaining to his Unit divided by the sum of all Ownership Interests. Since a larger Unit has a greater Ownership Interest, the Unit Owner of a larger Unit will be assessed a greater portion of the budget. The Declarant will also pay full Common Expense assessments on all unsold Units.

The proportional share of the budget will be adjusted for certain individual cases. Thus, expenses that may arise from the operation, maintenance, repair, improvement, or alteration specially benefitting an individual Unit or made necessary by the conduct of an individual Unit Owner may be assessed directly to the Unit Owner so benefited. In addition, Owners of Parking Units in the garage will be responsible for the repair and maintenance of the parking garage, and Owners of Parking Units outside the garage will be responsible for the repair and maintenance of these parking facilities. Such costs shall be assessed pro rata as appropriate among those owning such Parking Units.

The budget for the Condominium will cover all anticipated Common Expenses for the upcoming fiscal year. The budget will also include whatever amount the Board of Directors considers necessary as an adequate reserve to provide for unforeseen contingencies, working capital, and repair or replacement of Common Elements.

Declarant has prepared three separate budgets for the operation of the condominium that will apply at various stages of the condominium's development (Exhibit V-A). The first budget, Budget Number 1, is designed to reflect the projected costs of operating the condominium from the date the condominium is actually established until the date the first unit is conveyed to a purchaser by the Declarant. Budget Number 2 reflects the projected costs of operating the condominium from the date the first unit is conveyed by Declarant until control of the Board of Directors passes to the Unit Owners from the Declarant. This will occur after seventy-five percent (75%) of the Ownership Interests in the condominium have been sold, or within two (2) years of the date of the conveyance of the first Unit by Declarant, whichever comes first. Budget Number 3 reflects the projected costs of the operation of the condominium for the first full year that the Board of Directors is not under the control of the Declarant.

The alternate budgets described above have been designed to reflect realistically the differences in costs that will occur when the condominium passes through the three initial phases of its development. The Board of Directors will audit actual expenses incurred at the end of each phase and either grant a cash refund to the Unit Owners in the event that assessments have exceeded expenses or will provide for a special assessment in the event expenses exceed the initial assessment charged during that phase.

The anticipated monthly expenses to the owners of the various Apartment Units under each of the budgets are reflected in Exhibit V-B.

It must be emphasized that the budget figures referred to above are estimates and the Declarant cannot be certain that sufficient funds have been budgeted to cover all Common Expenses that

may actually be incurred. The figures are based on the Declarant's belief that they represent the best estimates obtainable at this time. In the event that insufficient funds are budgeted for any given fiscal year, the Board of Directors may levy a special assessment to make up the deficit. Any special assessment will be payable by Unit Owners either in a lump sum, or in installments, as the Board of Directors may determine.

A Unit Owner must pay directly all of the costs of maintenance and repair for his own Unit. The charges for utilities are Common Expenses which will be apportioned among all Unit Owners.

Common Expenses assessed against a Unit give rise to a lien on that Unit. If the lien is not satisfied, the Unit Owners' Association may enforce the lien in accordance with the provisions of the Condominium Act, including foreclosure or other legal remedies. The Unit Owner will not be able to dispose of his Unit free of the lien until the lien is satisfied by payment of the assessments secured by the lien. The Unit Owners' Association may obtain payment of past due assessments by foreclosure of the lien that may result in a forced sale of the Unit, or by suing the Unit Owner. If any assessments are past due for more than two (2) months, the Board of Directors may accelerate the payments (i.e., declare immediately due and payable the total amount assessed against the Unit Owner for that fiscal year but not yet paid). No Unit Owner may exempt himself from liability for assessments for Common Expenses by waiving the use of any of the Common Elements or by abandoning his Unit.

There will be no fee, rental, or similar charge payable to the Declarant, any Managing Agent, or the Unit Owners' Association for the use or enjoyment of any of the Common Elements (except such portion of the annual assessment for Common Expenses that is attributable thereto).

No provision has been made for reserves for capital expenditures in Budgets Number 1 and Number 2 (the period during which the Declarant controls the Board of Directors). Thereafter, the proposed budget makes provision for an annual reserve of \$15,250 for repairs and replacements.

VI. UNIT PURCHASE.

The obligations of the parties in connection with the purchase of the unit are stated in detail in the Purchase Agreement, a copy of which is attached to this Public Offering Statement as Exhibit VI-A.

Offering prices for all units are established by Declarant and may be subject to change at any time at the Declarant's discretion prior to the execution of the Purchase Agreement. Different purchasers may pay different prices for similar units at the sole discretion of the Declarant.

On or about September 5, 1978, the Declarant offered each existing tenant an exclusive opportunity to purchase his or her residential Apartment Unit under either of two arrangements. The first arrangement provided for a \$5,000.00 discount off the price of a one-bedroom Unit or a \$4,000.00 discount off the price of an efficiency Unit, were the Units offered to the public. Under this arrangement unit renovation is limited to:

- 1) Entire apartment repainted in off white color, enamel paint in the kitchen and all trim;
- 2) Wood paraquet floors throughout to be buffed and waxed;
- 3) Vinyl wall coverings installed in bath, purchaser's choice of six;
- 4) Armstrong Solarian "No Wax" flooring installed in kitchen - purchaser's choice of six; and
- 5) Installation of mini-blinds on all windows.

The second option offered tenants of one-bedroom units a \$2,500.00 discount and tenants of efficiencies a \$2,000.00 discount, and included the complete Unit renovation as outlined earlier in this Statement.

A purchaser may apply for financing from any lender or may pay all cash at settlement. Declarant has obtained a commitment from Home Federal Savings and Loan Association, 5225 Wisconsin Avenue, N.W. Washington, D.C., to provide approximately \$7,000,000 in loans to qualified purchasers. Such loans will be made at the Federal Home Loan Mortgage Corporation ("FHLMC") interest rate for Minimum Net Yield for 60-day, over-the-counter deliveries plus 3/8 of one percent (.375%) for servicing fees, and an additional 1% fee will be required of the purchaser at settlement (provided that such fee does not create a usurious rate to the purchaser under District of Columbia law). Such loans will be made at a ratio not to exceed 95% of the appraised value or sales price, whichever is less, and are subject to the following limitations:

<u>Loan-to-Value Ratio</u>	<u>Max Loan Amount</u>	<u>Term</u>
95%	\$60,000	30 years

All loans in excess of 80% loan-to-value ratio will require private mortgage insurance from a company acceptable to Home Federal and FHLMC. The purchaser will be required to pay a mortgage application fee, appraisal fee, and credit report fee to the lender. The purchaser's downpayment will be deposited in an interest bearing escrow account at Home Federal Savings and Loan Association. This lender's obligation to fund any loan is contingent upon the Declarant's sale of one hundred thirty-seven (137) Apartment Units in the Condominium.

If the purchase of the Unit will be financed by a mortgage, the purchaser must make prompt application for the financing to the lender referred to above or to any other lender selected by the purchaser. If the mortgage is not approved within forty-five (45) days, the Declarant may, at its option, attempt to secure financing for the purchaser. If the Declarant elects not to attempt to secure financing for the purchaser, then either party may cancel the Purchase Agreement and the purchaser shall be entitled to a

full refund of his deposit, less any actual costs incurred by the Declarant in processing the loan application. In the event the lender refuses to complete the loan because of the purchaser's failure to comply with the terms of any commitment, no refund will be due to the purchaser and the Declarant will be entitled to keep the deposit as liquidated damages.

At the settlement, the purchaser will be required to pay, in addition to the purchase price of the Unit, those settlement costs that are identified in the Purchase Agreement (Exhibit VI-A). Each purchaser will also be required to make a non-refundable initial capital contribution to the Unit Owners' Association of the condominium in an amount equal to the established prorated monthly assessment for Common Expenses of the unit being purchased in order to provide working capital to the Unit Owners' Association.

Title to the purchaser will be conveyed by a deed in the form as attached as Exhibit VI-B.

Settlement will occur within fifteen (15) days of the mailing of a notice by Declarant to the purchaser stating that the Unit is substantially complete and ready for occupancy. In certain cases, the parties may agree in writing to go to settlement prior to the completion of a Unit. Declarant is required to complete the Unit subject to an extension arising from any delays caused by the purchaser. If the Unit is not ready within that time, purchaser has the right to withdraw and receive a refund of any monies paid under the Purchase Agreement.

All purchasers have the right to cancel the Purchase Agreement for any reason by giving written notice to the Declarant within fifteen (15) days of the date of the agreement or within fifteen (15) days after delivery to the purchaser of the current Public Offering Statement, whichever is later.

Neither the non-binding Reservation Agreement nor the Purchase Agreement is assignable.

The Declarant maintains the option to retain ownership of up to twenty (20) Apartment Units for rental purposes.

Prospective purchasers are requested to acknowledge their receipt of a copy of the Public Offering Statement by executing the receipt on the Purchase Agreement, attached as Exhibit VI-B, or by executing the document annexed as Exhibit VII.

DUPONT EAST CONDOMINIUMMATERIAL CHANGES TO THE PUBLIC OFFERING STATEMENT

Purchasers of units at the Dupont East should be aware of certain changes to the Public Offering Statement. Each change is a direct or indirect result of a request for approval, from the Zoning Regulation Division, District of Columbia Government, for the condominium plat and plans. All changes have been filed with the Neighborhood Improvement Administration, Department of Housing and Community Development, 1341 G Street, NW, Suite 900, Washington, DC 20005.

New pages (as changed) are attached.

PUBLIC OFFERING STATEMENT

Section III.A (page 6) has been changed to reflect a total of 49 Parking Units, 38 in the garage and 11 outside the garage.

DECLARATION

Section 3.b., "Parking Spaces," has been changed to reflect 38 spaces in the garage and 11 outside the garage.

Accordingly, par values and percentage ownership for Parking Units (page 3 of 3 on the attachment to the Declaration) have been changed.

PLAT AND PLANS

Sheets 1, 2 and 3 have been changed to reflect a total of 49 Parking Units, 38 in the garage (Unit Nos. 3 and 5 have been eliminated) and 11 outside the garage (Unit No. 52 has been eliminated).

PROJECTED MONTHLY ASSESSMENTS

Assessments for Parking Units have changed slightly upwards to reflect the change in the number of Parking Units.

THE DUPONT EAST CONDOMINIUM

SCHEDULE OF OWNERSHIP INTERESTS AND PROJECTED MONTHLY ASSESSMENTS

<u>Parking Unit</u>	<u>Ownership Interests</u>	<u>Budget #3 Monthly Assessment</u>	<u>Budget #2 Monthly Assessment</u>	<u>Budget #1 Monthly Assessment</u>
P-1 thru P-40, except P-24 (Garage - 37 spaces)	.022 each	5.78	4.73	\$15,200 per month to be paid by Declarant
P-24	.023	6.14	4.99	
P-41 thru P-51 (Outside)	.009 each	2.18	1.91	

DUPONT EAST CONDOMINIUM
(Page 3 of 3)

LIST OF PAR VALUES AND PERCENTAGE OWNERSHIP

<u>Parking Unit</u>	<u>Par Value</u>	<u>Percentage Ownership</u>	<u>Parking Unit</u>	<u>Par Value</u>	<u>Percentage Ownership</u>
1	11.0	.022	27	11.0	.022
2	11.0	.022	28	11.0	.022
---	---	---	29	11.0	.022
4	11.0	.022	30	11.0	.022
---	---	---	31	11.0	.022
6	11.0	.022	32	11.0	.022
7	11.0	.022	33	11.0	.022
8	11.0	.022	34	11.0	.022
9	11.0	.022	35	11.0	.022
10	11.0	.022	36	11.0	.022
11	11.0	.022	37	11.0	.022
12	11.0	.022	38	11.0	.022
13	11.0	.022	39	11.0	.022
14	11.0	.022	40	11.0	.022
15	11.0	.022	41	4.5	.009
16	11.0	.022	42	4.5	.009
17	11.0	.022	43	4.5	.009
18	11.0	.022	44	4.5	.009
19	11.0	.022	45	4.5	.009
20	11.0	.022	46	4.5	.009
21	11.0	.022	47	4.5	.009
22	11.0	.022	48	4.5	.009
23	11.0	.022	49	4.5	.009
24	11.5	.023	50	4.5	.009
25	11.0	.022	51	4.5	.009
26	11.0	.022			

Each Apartment Unit will consist of the space enclosed by the unfinished interior surfaces of the walls, ceilings and floors enclosing that Unit. This will include the various utility conduits serving only that Unit and the various appliances located within that Unit, such as bathroom and kitchen fixtures. The Unit will include the finished surface materials of the walls, floor and ceiling, such as the wood, ceramic or tile floors, wallpaper and paint.

There are twenty-two (22) Apartment Units on each of the eight upper floors, two (2) through nine (9). The layout of floors 2 through 9 will be identical; in other words, each of the Apartment styles will be repeated on each of floors 2 through 9 in the same location. There are nineteen (19) Apartment Units on the first floor and the layout of each of these Apartments will be identical to the Apartments directly above each.

The various unit types on each floor are made up of the following rooms:

<u>Unit Type (Tier)</u>	<u>Rooms</u>
01	EH, K, DR/LR/BR, B
02	EH, K, DR/LR/BR, B
03	K, DR, LR, BR, B
04	K, DR, LR, BR, B
05	K, DR, LR, BR, B
06	K, DR, LR, BR, B
07	EH, K, DR/LR/BR, B
08	EH, K, DR/LR/BR, B
09	F, K, DR, LR, BR, B
10	K, DR, LR, BR, B
11	K, DR, LR, BR, B
12	F, K, DR, LR, BR, B
13	F, K, DR, LR, BR, B
14	K, DR, LR, BR, B
15	K, DR, LR, BR, B
16	K, DR, LR, BR, B
17	K, DR, LR, BR, B
18*	EH, K, DR, LR, BR, B
19	K, DR, LR, BR, B
20	K, DR, LR, BR, B
21*	K, DR, LR, BR, B
22*	F, K, DR, LR, BR, B

Code: F = Foyer LR = Living Room
 EH = Entry Hall BR = Bedroom
 K = Kitchen B = Bath
 DR = Dining Room

The Declarant maintains the option to retain ownership of up to twenty (20) Apartment Units for rental purposes.

The Dupont East Condominium also contains forty-nine (49) condominium Parking Units. Thirty-eight (38) of these Units are located in a common garage below the ground floor of the building. The eleven (11) Parking Units outside the garage are located on that portion of the condominium property which lies on the south side of the lot in the space between the east and west wings of the building, and are indicated by number on the Plat.

Condominium Parking Units will be offered for sale on a "first-come, first-serve" basis first to tenants who are purchasing Apartment Units in the building, and then to other purchasers. Only owners of Apartment Units may own Parking Units, and no more than one Parking Unit per Apartment Unit is permitted. The Parking Units will

*Tiers 18, 21 and 22 do not exist as Apartment Units on the first floor.

**DUPONT
EAST**

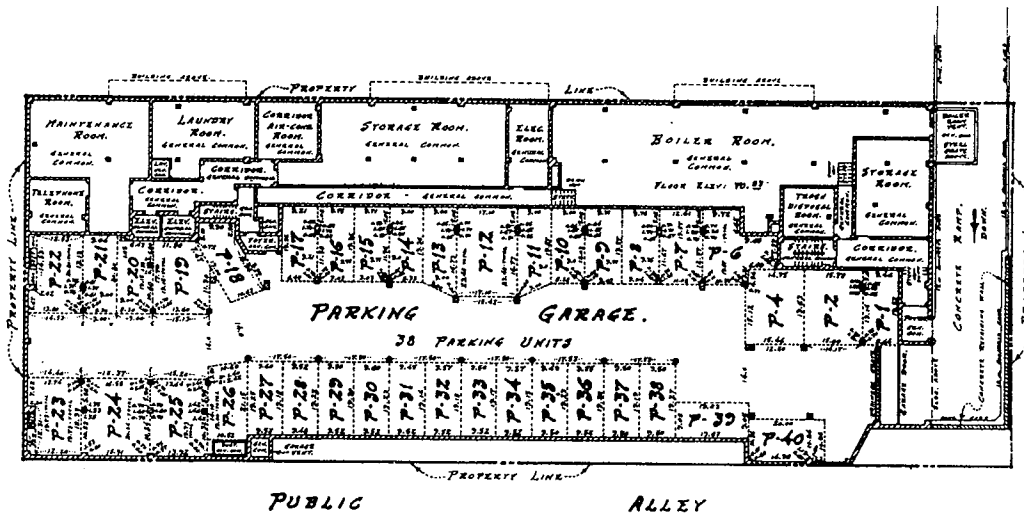
Plats & Plans

PLAN OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.W.

"Q" STREET, N.W.

18TH STREET,
N.W.



GARAGE LEVEL

FLOOR ELEVATION: 74.85
CEILING ELEVATION: 82.30

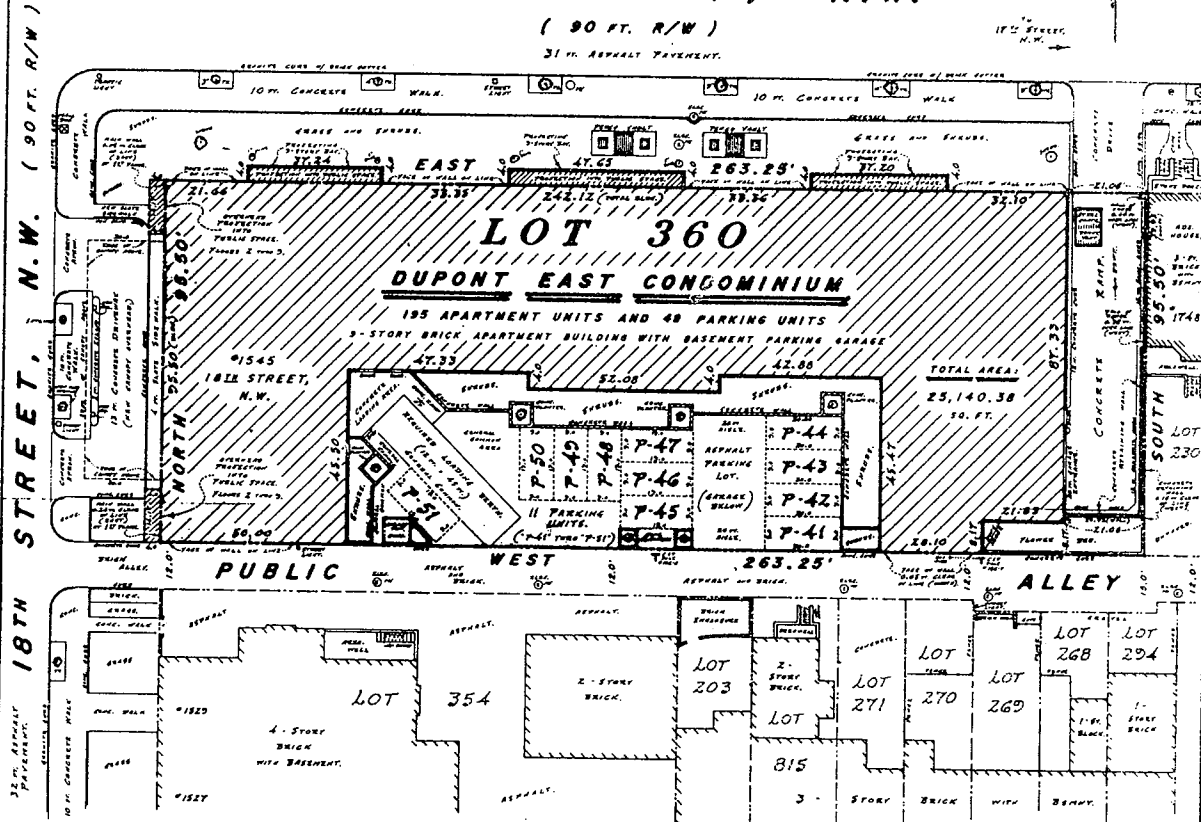
SURVEY AND PLANS BY:
A. Hoxton Thomas & Solare, Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
11750 THOMPSON PARKWAY, ROCKVILLE, MARYLAND 20852
TELEPHONE: (301) 881-2545
SCALE: 1/4" = 20' FT. A.M.T. FILE NO. H-70-0283

Amendment
3/13/77

PLAT OF CONDOMINIUM SUBDIVISION LOT 360 - SQUARE 156

DUPONT EAST CONDOMINIUM
1545 18TH STREET, N.W.

"Q" STREET, N.W.
(90 FT. R/W)
31 ft. ASPHALT PAVEMENT.



NOTES:

1. TOTAL AREA INCLUDED WITHIN THIS CONDOMINIUM:
25,140.38 SQ. FT. OR 0.57714 ACRES.
2. PROPERTY SHOWN ABOVE THE RECORDS OF THE
D.C. SURVEYOR'S OFFICE AS FOLLOWS:
SUBDIVISION BOOK 163 - PAGE 181
SURVEY BOOK 176 - PAGE 378
ASSESSMENT AND TAXATION MAP 3462-N
SEE ALSO: DISTRICT VOL. 1 - PLATS 13
3. PROPORTIONS WITH PUBLIC SPACES, SUCH AS SHOWN HEREON,
ARE PRESCRIBED UNDER THE BUILDING CODE OF THE DISTRICT OF
COLUMBIA. SEE TITLE 24-1, ARTICLE 3, SECTION 510,
AS AMENDED, FOR RESTRICTIONS AND REGULATIONS.
4. ALL BUILDING DIMENSIONS SHOWN HEREON WERE
REPRODUCED TO THE MAIN BRICK FACE OF WALLS.

LEGEND:

PROPERTY OUTLINE SHOWN SHADED.....	BUILDING OUTLINE SHOWN CROSS-HATCHED.....	PROPERTY LINES SHOWN THUS.....
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SURVEY AND PLATS BY:

A. Morton Thomas & Assoc., Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
1574 DOWNEY PARKWAY, BETHESDA, MARYLAND 20812
TELEPHONE: (301) 881-1515

SCALE: 1 in. = 20 FT. A.M.T. FILE NO. N-78-223

Amended

3/13/79

PLAT AND PLANS OF CONDOMINIUM SUBDIVISION

DUPONT EAST CONDOMINIUM

195 CONDOMINIUM APARTMENT UNITS AND 49 CONDOMINIUM PARKING UNITS

1545 18TH STREET, N.W.

LOT 360 - SQUARE 156

IN ACCORDANCE WITH THE CONDOMINIUM ACT OF 1976, D.C. LAW 1-80, THE UNDERSIGNED, OWNER OF LOT 360 IN SQUARE 156, AS PER PLAT RECORDED IN SUBDIVISION BOOK 163 AT PAGE 181 AMONG THE RECORDS OF THE OFFICE OF THE SURVEYOR OF THE DISTRICT OF COLUMBIA, HEREBY SUBDIVIDES THE BUILDING AND THE LAND SHOWN HEREON INTO 195 CONDOMINIUM APARTMENT UNITS AND 49 CONDOMINIUM PARKING UNITS WITH CERTAIN GENERAL AND LIMITED COMMON ELEMENTS AS MORE FULLY SET FORTH IN THE DECLARATION AND BY-LAWS OF THE PROJECT RECORDED IN THE OFFICE OF THE RECORDS OF DEEDS OF THE DISTRICT OF COLUMBIA AS INSTRUMENT NUMBER _____, AND INSTRUMENT NUMBER _____, RESPECTIVELY, ON _____, 19____.

THE UNDERSIGNED OWNER FURTHER REQUESTS THAT THE CONDOMINIUM PROJECT BE SHOWN ON THE ATTACHED PLAT AND PLANS, CONSISTING OF 12 SHEETS, BE ACCEPTED FOR RECORDATION IN THE OFFICE OF THE SURVEYOR OF THE DISTRICT OF COLUMBIA.

THE UNDERSIGNED OWNER, BEING FIRST DULY SWORN, HEREBY CERTIFIES, DEPOSES, AND SAYS THAT THE DUPONT, INC., A DELAWARE CORPORATION, IS THE OWNER IN FEE SIMPLE OF THE ABOVE-MENTIONED PROPERTY INCLUDING IMPROVEMENTS; THAT NO OTHER PERSON OR PERSONS OTHER THAN THE UNDERSIGNED HAVE ANY INTEREST OR CLAIM THEREIN, EXCEPT FOR AN EXISTING TRUST; THAT THE UNDERSIGNED OWNER IS IN PEACEFUL OCCUPATION THEREOF; THAT THERE ARE NO PENDING SUITS OR ACTIONS AFFECTING THE TITLE TO SAID PROPERTY INCLUDING THE IMPROVEMENTS; THAT THERE IS ONE EXISTING DEED OF TRUST ON SAID PROPERTY; AND THAT THE USE OF THE INDIVIDUAL UNITS CONFORMS TO THE APPLICABLE LAWS AND REGULATIONS OF THE DISTRICT OF COLUMBIA.

WITNESS OUR HANDS AND SEALS THIS _____ DAY OF _____, 19____.

WITNESSES:

OWNER:
THE DUPONT, INC.
A DELAWARE CORPORATION.

SUBSCRIBED AND SWORN BEFORE ME
THIS _____ DAY OF _____, 19____.

BY:

PETER H.G. SCHWARTZ, PRESIDENT.

NOTARY PUBLIC

(My Commission Expires _____, 19____)

ATTEST:

MARVIN J. PENCE, SECRETARY.

REGISTERED ENGINEER'S CERTIFICATION

I HEREBY CERTIFY THAT THESE PLATS AND PLANS ARE CORRECT; THAT THEY REPRESENT A FIELD SURVEY MADE UNDER MY DIRECTION; THAT ALL OF THE UNITS HAVE BEEN SUBSTANTIALLY COMPLETED; AND THAT THE INFORMATION SHOWN HEREIN IS IN CONFORMANCE WITH THE REQUIREMENTS OF THE OFFICE OF THE SURVEYOR OF THE DISTRICT OF COLUMBIA AND COMPLIES WITH THE REQUIREMENTS OF THE CONDOMINIUM ACT OF 1976, D.C. LAW 1-80.

DECEMBER 13, 1978
DATE

George Timothy Kelly
GEORGE TIMOTHY KELLY
REGISTERED PROFESSIONAL ENGINEER NO. 3903 - CIVIL



DEPARTMENT OF FINANCE AND REVENUE

_____, 19____.

OWNERSHIP CORRECT, ACCORDING
TO RECORDS OF THIS OFFICE _____
GENERAL TAXES PAID TO _____
NO UNPAID TAXES _____
NO UNPAID SPECIAL ASSESSMENTS _____

ASSOCIATE DIRECTOR, ASSESSMENT ADMINISTRATION

DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

_____, 19____.

I CERTIFY THAT THIS CONDOMINIUM SUBDIVISION
COMPLIES WITH THE ZONING REGULATIONS OF THE
DISTRICT OF COLUMBIA.

ZONING: _____

CHIEF, ZONING REGULATIONS DIVISION

OFFICE OF THE SURVEYOR, D.C.

_____, 19____.
THESE PLATS ARE ACCEPTED FOR RECORDATION IN ACCORDANCE
WITH THE CONDOMINIUM ACT OF 1976, D.C. LAW 1-80

SURVEYOR, D.C.

RECORDED AT _____
RECORDED IN CONDOMINIUM BOOK _____ PAGE _____
SUBJECT RECORDED IN ANNEX PLATS 1 TO 12

BENCH MARK

TOP NORTHWEST CORNER OF
FIRST MARBLE EYE, AT TRANSIT
OF "1900" R STREET, N.W.

ELEV: 93.6

SEE MAP OF DISTRICT OF COLUMBIA
DEPARTMENT OF TRANSPORTATION.

SEAL AND PLATS BY

Alvin H. Manselmann, Inc.
REGISTERED PROFESSIONAL ENGINEERS & LAND SURVEYORS
1410 TOWNESEND PARKWAY, SUITE 100, FORT MYERS, FLORIDA 33901
TELEPHONE: (813) 937-1545

A.S.T. FILE NO: N-78-9283



Order Summary
DO NOT USE for payoff or closing instructions
Dupont East Condominium
CFM Management Services, Inc.

Property Information:

1545 18th St. NW Unit: 519
Washington, DC 20036
Seller: Francesco Nesci
Buyer: Casey Aboulafia

Requestor:

NA
Francesco Nesci
914-262-4254

Payment Summary

Payment Method: Master Card
Name: Cristina Margolies
Account Number: XXXX-XXXX-XXXX-2557
Payment Amount: \$290.00
Payment Date: 07-08-2016

Payment Details

Amounts Prepaid

MD-DC Required Resale Disclosure Package (Certificate and Association Documents)	\$235.00
Rush Fee	\$50.00
Convenience Fee	\$5.00
Up Front Total	\$290.00

No returns, exchanges, price adjustments, or cancellations are permitted after products are received unless mandated by state statute.

NOTE: This receipt is acknowledgment of your order. DO NOT USE for payoff or closing instructions.