

Section 10. Amendment to the Declaration or to the By-Laws of the Association. Except as otherwise permitted by the Condominium Instruments, the prior written approval of two-thirds (2/3) of all institutional holders of First Mortgages, as well as the approval of any governmental guarantor (whose regulations so require) will be required for any material amendment to the Declaration or By-Laws of the Association.

ARTICLE X

COMPLIANCE AND DEFAULT

Section 1. Relief. As set forth in Section 55-79.53 of The Condominium Act, each Unit Owner shall be governed by and shall comply with all of the terms of the Declaration, these By-Laws and the rules and regulations, and any amendments of the same. Failure to comply with any provision of the foregoing shall constitute a default. A default by a Unit Owner shall entitle the Association, acting through its Board of Directors or through the Managing Agent, to the following relief:

(a) Legal Proceedings. Failure to comply with any of the terms of the Declaration, these By-Laws and the rules and regulations shall be grounds for relief which may include, without limitation, an action to recover for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these By-Laws or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which may be sought by the Association, the Board of Directors, the Managing Agent, or, if appropriate, by an aggrieved Unit Owner.

(b) Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his or her act, omission or negligence or reckless or willful misconduct or the act, omission or negligence or reckless or willful misconduct of any member of his household or employee, agent, licensee, guest or lessee, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained

herein, however, shall be construed as modifying any waiver by an insurance company of its rights of subrogation.

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

(d) No Waiver of Rights. The failure of the Association, the Board of Directors or a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these By-Laws or the rules and regulations shall not constitute a waiver of the right of the Association, the Board of Directors, or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors, or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these By-Laws or the rules and regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to the party by the Declaration, these By-Laws or the rules and regulations or at law or in equity.

(e) Interest. In the event of a default by any Unit Owner in paying any sum assessed against the Unit (other than for Common Expenses) which continues for a period in excess of fifteen (15) days, interest at a rate not to exceed the lower of (i) the maximum permissible interest rate which may be charged by a Mortgagee under a Mortgage at such time or (ii) eighteen percent (18%) *per annum* may be imposed in the discretion of the Board of Directors on the principal amount unpaid from the date due until paid.

(f) Right of Acceleration. The payment and collection of any assessment made pursuant to Article VI shall be in accordance with the terms providing for the payment and collection of assessments in these By-Laws and The Condominium Act, including, without limitation, the right reserved to the Board of Directors to accelerate payment of assessments and the right to recover attorneys' fees and costs.

(g) Late Charges. Any assessment levied pursuant to the Declaration or these By-Laws, or any installment thereof, which is not paid within fifteen (15) days after it is due, may at the option of Board of Directors be subject to a late charge of not less than ten dollars (\$10.00) per month for each monthly assessment in arrears or such other amounts as the Board of Directors may fix. In addition, the Board of Directors may declare the installments which would otherwise be due during the remaining fiscal year immediately due and payable and may take those actions to collect such accelerated amounts as are provided in these By-Laws for the collection of assessments.

(h) Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board of Directors, the breach of any By-Law or the breach of any provision of the Declaration shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws: (1) to enter the Unit in which or as to which such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist 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 (2) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuation of any such breach.

(i) Other Penalties. Failure by a Unit Owner to comply with any of the terms of the Declaration, these By-Laws and the rules and regulations shall subject the Unit Owner to other penalties that may be established by duly adopted resolution of the Board of Directors, including, but not limited to, the imposition of fines.

Section 2. Lien for Assessments.

(a) The total annual assessment of each Unit Owner for Common Expenses or any Special Assessment or any other sum duly levied hereby declared to be a lien levied against the Unit as provided in Section 55-79.84 of The Condominium Act.

(b) The lien for assessments may be enforced and foreclosed in the manner provided by the laws of the Commonwealth of Virginia by action in the name of the Board of Directors or the Managing Agent acting on behalf of the Association.

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

Section 3. Subordination and Mortgage Protection. Notwithstanding any other provisions hereof to the contrary, the lien of any assessment levied pursuant to these By-Laws upon any Unit (and any penalties, interest on assessments, late charges or the like) shall be subordinate to and shall in no way affect the rights of a good faith Mortgagee; provided, however, that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such Unit pursuant to foreclosure, or any proceeding in lieu of foreclosure (a "Foreclosure Event"). Such sale or transfer shall not relieve the purchaser of the Unit at a Foreclosure Event from liability for any assessments thereafter becoming due, nor from the lien of any subsequent assessment, which lien shall have the same effect and be enforced in the same manner as provided herein.

ARTICLE XI

CONDEMNATION

In the event of a taking in condemnation or by eminent domain, the provisions of Section 55-79.44 of The Condominium Act shall govern.

ARTICLE XII

MISCELLANEOUS

Section 1. Notices. All notices, demands, bill statements or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by regular mail, first-class, postage prepaid: