

**DECLARATION FOR DC USA
RETAIL CONDOMINIUM
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DECLARATION
FOR
DC USA CONDOMINIUM

Date: March 26, 2008

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DECLARATION
FOR DC USA CONDOMINIUM

ARTICLE I
CREATION; DEFINED TERMS

Section 1.1 Creation of the Condominium. Pursuant to the provisions of Chapter 19 of Title 42 of the District of Columbia Code (2001 edition, as amended) (the "Condominium Act"), DC USA Operating Co., LLC, a New York limited liability company (the "Declarant"), hereby submits to the Condominium Act the land described in Exhibit A hereto, located within the District of Columbia (the "Land"), together with the building thereon, having a street address of 3100 14th Street, N.W., Washington, D.C. containing approximately 490,000 square feet of retail and commercial area and together with two (2) levels of below grade parking facilities (the "Building"), all other improvements thereon, all easements, rights and appurtenances thereunto appertaining (including rights to and licenses for adjoining public rights of way), all of Declarant's rights in and to personal property and fixtures installed in or located within the Building directly related to the general operations of the Building and its common areas, all of Declarant's rights in contracts, warranties and other agreements related to the general operations of the Building and its common areas, and all licenses, permits, and certificates issued by any applicable governmental authority related to the general operations of the Building, the Land and their respective appurtenant areas (including, but not limited to, elevator permits, public space vault rental agreements, etc.) (the Land, the Building and all other such improvements, easements, rights and appurtenances being collectively referred to as the "Property"). The Land and the Building are shown on the Condominium Plats and Condominium Plans filed among the Condominium Records of the Office of the District of Columbia Surveyor in Condominium Book 67, at Page 17.

Section 1.2 Defined Terms. Except as otherwise defined in this Declaration or in the Bylaws, all terms used in the Condominium Instruments shall have the meanings specified in Section 42-1901.02 of the Condominium Act. Each of the following terms as used in this Declaration and in the Bylaws recorded contemporaneously herewith shall have the associated meaning:

(a) "Affiliate" means (i) any Person that controls, is controlled by or is under common control with such Person, (ii) any managing member, general partner or Person authorized to act on behalf of such Person, or (iii) any Person that controls, is controlled by or is under common control with any Person described in the preceding clause (ii).

(b) "Atrium Lobby" means that main lobby area of the Building providing general access to and through the Building to and from 14th Street, NW, as depicted and marked on the Plats and Plans, for all Unit Owners and the general public, including the multistory rotunda area, appurtenant elevator lobbies and related facilities including staircases.

(c) "Bond Documents" means the Indenture of Trust, the Non-Arbitrage Certificate, the Bonds, the Bond Purchase Agreement, the TIF Note and any other agreements or instruments relating to the issuance of and security for the Bonds issued in conjunction with and related to the development and construction of Unit No. 3.

(d) "Bonds" means the tax-exempt Variable Rate Revenue Bonds (DC-USA Parking Garage Project) Series 2006, issued by the National Capital Revitalization Corporation to finance a portion of the costs of developing and constructing Unit No. 3 referred to in this Declaration and the Bylaws as being located within Unit No. 3, as such bonds may have been assumed, restated or substituted by the District of Columbia or any instrumentality thereof.

(e) "Bylaws" means the Bylaws recorded contemporaneously with this Declaration and as amended from time to time, which provides for the self-governance of the Condominium.

(f) "Business Day" means a calendar day that is any day, Monday through Friday, and is not a declared federal or District of Columbia legal holiday.

(g) "Common Elements" means all parts of the Condominium and rights attributable thereto, tangible and intangible, other than the Units, as more fully set forth in Article III of this Declaration captioned "Common Elements," and includes both "General Common Elements" and "Limited Common Elements."

(h) "Common Element Interest" means the undivided percentage interest of each Unit in the Common Elements as set forth in Exhibit B attached to and made a part of this Declaration, as amended from time to time in accordance with the provisions of the Condominium Act and this Declaration, which establishes each Unit's undivided percentage interest (i) in the General Common Elements, (ii) in the votes in the Unit Owners Association, and (iii) the allocation of responsibility for payment of General Expenses, unless a different allocation is provided for in this Declaration or in Schedule A.

(i) "Common Expenses" means and includes all sums incurred by the Unit Owners Association, and duly assessable to and against some or all of the Unit Owners by the Unit Owners Association, including without limitation (i) expenses of administration and operation, maintenance, repair or replacement of, and additions to, the Common Elements, including, but not limited to contributions to reserves for working capital and future expenditures as may be established from time to time by the Unit Owners Association and deposits, allowances or other amounts set aside by the Unit Owners Association for obligations of the Unit Owners Association, (ii) expenses of service delivery related to the Common Elements, such as but not limited to cleaning services, electrical services, water/sewer services, and heating, ventilation and air conditioning services, (iii) expenses declared Common Expenses pursuant to the Condominium Act, the provisions of this Declaration, or the Bylaws, (iv) expenses of administration and operation of the Condominium and the Unit Owners Association as an entity, (v) any and all vault rentals arising from the licensing or leasing of subterranean public space from the District of Columbia, (vi) sums due under any easement, covenant, or other document which encumbers the Common Elements, (vii) expenses of providing the services set forth in Section 5.5(a) of the Bylaws, (viii) insurance premiums and deductibles under the insurance set forth in Article 6 of the Bylaws or otherwise obtained from time to time by the Unit Owners Association, (ix) fees and expenses payable by the Unit Owners Association to the Managing Agent pursuant to the Management Agreement, (x) costs and expenses of environmental remediation related to the Land and the Building necessitated due to environmental contamination occurring after the recordation of this Declaration, (xi) any and all costs and

expenses incurred by the Unit Owners Association related to the provision of security services for the Building, including security for the two level parking facility contained within Unit No. 3 and its appurtenant Limited Common Elements as and when the Unit Owners Association provides such services, including but not limited to those costs and expenses arising from the installation, maintenance, repair and replacement of equipment, vehicles and facilities, and the hiring of vendors or personnel, all related to the provision of security in the Building and the operation of the security systems of the Building, including for the two level parking facility contained within Unit No. 3 and its appurtenant Limited Common Elements where the Unit Owners Association provides such services; (xii) any and all costs and expenses incurred by the Unit Owners Association pursuant to any responsibilities assigned to it under the Declaration of Parking Operations, including any monies due and owing the Unit Owners Association as repayment of any Shortfall Fundings by the Unit Owners Association and any fees due and unpaid to the Unit Owners Association thereunder by a Unit Owner, and (xiii) such other expenses as may be incurred by the Unit Owners Association on behalf of one or more of the Unit Owners in accordance with the provisions of this Declaration or the Bylaws including Schedule A. The term "Common Expenses" shall mean collectively General Expenses, Limited Common Element Expenses and Special Expenses. The term "Common Expenses" shall be deemed to exclude any costs and expenses associated with the operation, maintenance, repair or replacement of a Unit or any portion thereof, which costs and expenses shall be the sole responsibility of the Unit Owner of such Unit, except that as and when the Unit Owners Association provides security services for Unit No. 3, then the costs incurred by the Unit Owners Association shall be deemed a Common Expense, assessable to the Owner of Unit No. 3 as Special Expenses. Any costs and expenses not incurred by the Unit Owners Association for Common Elements, but instead paid for directly by one or more Unit Owners shall not be deemed a Common Expense, those costs and expenses not having been incurred by the Unit Owners Association. To the extent the Unit Owners Association does incur an expense or cost due to the failure of one or more Unit Owners to pay any cost or expense that is the responsibility of such Unit Owner(s), then the same shall become Common Expenses, but then allocable as Limited Common Element Expenses or Special Expenses as applicable to the Unit Owner(s) in question.

(j) "Condominium" means the condominium regime created pursuant to this Declaration and the Plats and Plans.

(k) "Condominium Instruments" means this Declaration, the Bylaws and the Plats and Plans, as the same may be amended from time to time.

(l) "Condominium Unit" means a Unit together with the Limited Common Elements appurtenant thereto, if any, and an undivided interest in the General Common Elements appertaining to that Unit.

(m) "Declaration of Parking Operations" means that certain Declaration of Parking Operations by Declarant as of the date of this Declaration, a memorandum of which is recorded immediately hereafter, as may be subsequently amended, related to the operation and maintenance of the parking garage located or to be located in and occupying Unit No. 3. In the event of a conflict between the Declaration of Parking Operations and this Declaration, this Declaration shall control. Additionally to the extent that, pursuant to the provisions of the

Declaration of Parking Operations, the Unit Owners Association incurs any costs and expenses pursuant to the provisions of the Declaration of Parking Operations, including any monies due and owing the Unit Owners Association as repayment of any Shortfall Fundings made by the Unit Owners Association and any fees due and unpaid to the Unit Owners Association thereunder by a Unit Owner, then all of those amounts shall be deemed Special Expenses, chargeable to the Unit Owner for whom the Unit Owners Association is acting under the Declaration of Parking Operations.

(n) "DC USA Deed" means that certain special warranty deed of conveyance given by the RLA Revitalization Corporation to Declarant, dated February 15, 2006, and recorded on February 16, 2006, as Instrument Number 2006021128 among the Land Records, granted in accordance with the LDA.

(o) "Declarant" means D.C. USA Operating Co., LLC, a New York limited liability company and shall also mean and refer to any Person who reserves or succeeds to any Special Declarant Right.

(p) "Declaration" means this instrument imposing a condominium regime on the Land and Building as the same may be amended and recorded from time to time.

(q) "Default Share" means generally the share of a Unit Owner for Common Expenses if not otherwise allocated pursuant to Schedule A or by Agreement of the Unit Owners, and specifically means, (i) as to General Expenses, the General Expenses Share of a Unit Owner, unless Schedule A provides otherwise, and (ii) as to Special Expenses and Limited Common Element Expenses, where more than one, but less than all Unit Owners bear responsibility for the cost and expense thereof, and either Schedule A does not indicate a share arrangement for that Common Expense to each benefited Unit Owner for such item, or the benefited Unit Owners cannot agree in good faith upon an appropriate and equitable sharing of that Common Expense within 10 days after the date that notice is given to the benefited Unit Owners of the cost or expense for such item, then the share determined by dividing such Unit Owner's General Expenses Share by the cumulative total of the General Expenses Shares of all Unit Owners having an interest in that Limited Common Element or share responsibility for those Special Expenses.

(r) "Effective Date" means the date that this Declaration is recorded among the Land Records.

(s) "Facilities Access Conditions" means those conditions specified in Section 4.3 of this Declaration related to the right of the Unit Owners Association or a Unit Owner to have access to Unit No. 1 or Unit No. 2, or any assigned Limited Common Elements thereto, as applicable, to undertake maintenance, repairs and replacement of Unit Facilities, repairs, replacements, and relocation of existing Service Facilities and to undertake the installation of new Service Facilities.

(t) "General Common Elements" means all Common Elements of the Condominium other than Limited Common Elements.

(u) "General Expense/General Expenses" means a Common Expense, but for those classified by the provisions of this Declaration or the Bylaws as a Limited Common Element Expense or Special Expense.

(v) "General Expenses Share" means the share of General Expenses that the Unit Owner of each particular Unit shall be responsible for based upon the Common Element Interest percentage attributable to that Unit pursuant to Exhibit B to this Declaration, except where Schedule A provides an alternate sharing arrangement for such General Expenses, and then the provisions of Schedule A shall govern and control the allocation of those General Expenses.

(w) "Identification Monuments" means signs, banners, monuments, posters and the like as more fully described in Section 4.12 of this Declaration.

(x) "Land Records" means the land records of the Office of the Recorder of Deeds of the District of Columbia

(y) "Limited Common Elements" means those portions of the Common Elements, more fully described in Section 3.3 of this Declaration, that are reserved for the exclusive use of at least one, but fewer than all, of the Units, including, without limitation, those Common Elements either identified as "Limited Common Elements" on the Condominium Plats or the Condominium Plans, as amended from time to time, or Schedule A, as amended from time to time, and for which the Unit Owner or Unit Owners shall have the sole rights and benefits.

(z) "Limited Common Element Expense/Limited Common Element Expenses" means a Common Expense incurred by the Unit Owners Association related to and arising from the use or control of, and entitlement to, a Limited Common Element; each benefited Unit Owner shall be responsible for its Limited Common Element Expenses Share of such Limited Common Element Expenses, for (i) all necessary or required repairs, maintenance and replacement of each Limited Common Element assigned to its Unit, and as well as necessary or required repairs, maintenance and replacement of any General Common Element due to the use or activity conducted in more than Unit or a Limited Common Element appurtenant to that Unit, (ii) obtaining all services, facilities, equipment and the like related to the use and/or occupancy with regard to each Limited Common Element for which it is/they are the beneficiary and (iii) costs and expenses of environmental remediation related to a Limited Common Element necessitated due to environmental contamination occurring after the recordation of this Declaration and caused by the action of the Unit Owner or Unit Owners, or any tenant, contractor or agent thereof, of the Unit or Units to which the Limited Common Element is assigned. Where there is only one such Unit Owner, then such Unit Owner shall be solely responsible, on behalf of the Unit Owners Association, for such Limited Common Element and the related Limited Common Element Expense; where there is more than one Unit Owner benefited, but fewer than all Unit Owners are benefited, then, unless the Unit Owners Association is otherwise charged with responsibility for such Limited Common Element as specified by a provision of this Declaration or the Bylaws (including Schedule A), all such benefited Unit Owners shall share responsibility for the Limited Common Element, and each Unit Owner shall be responsible for its Limited Common Element Expense Share of the Limited Common Element Expense therefore. Where expenses and costs related to or arising from the

use of any Limited Common Elements are paid for directly by the Unit Owner of the Unit or Unit Owners of Units to which those Limited Common Elements are assigned, and not by the Unit Owners Association, then such costs and expenses shall not be deemed Limited Common Element Expenses, nor Common Expenses generally of the Unit Owners Association.

(aa) "Limited Common Element Expenses Share" means, where there is more than one Unit Owner, but less than all Unit Owners benefited, a Unit Owner's share of a Limited Common Element Expense, determined by (i) first by Schedule A, (ii) second by allocation by and between the benefited Unit Owners in proportion to their respective utilization and benefit of such Limited Common Elements as determined by those benefited Unit Owners, where not addressed by Schedule A, and (iii) third where Schedule A does not address an allocation of such item and the benefited Unit Owners fail to come to agreement in good faith within 10 days after the date that notice is given to the benefited Unit Owners of the appropriate and equitable sharing of the cost or expense for such Common Expense, then the Default Share of each such Unit Owner.

(bb) "Managing Agent" means any duly qualified managing agent duly selected and employed by the Unit Owners Association to perform (i) property management duties and services for the General Common Elements and, if applicable, the Limited Common Elements, and (ii) duties and services related to the management and operation of the Condominium, as a condominium regime, and the Unit Owners Association, as a community association entity, all in accordance with the provisions of the Condominium Act, this Declaration or the Bylaws, as applicable.

(cc) "Management Agreement" means any management agreement between the Unit Owners Association and the Managing Agent related to the operation and administration of the Condominium.

(dd) "Mortgage" means any recorded deed of trust or mortgage for the benefit of a Mortgagee, which deed of trust or mortgage encumbers the legal title of a Condominium Unit.

(ee) "Mortgagee" means the lender under a Mortgage or bondholder under the Bonds secured under a Mortgage, where such lender, bondholder or trustee, pursuant to the terms of Article 8 of the Bylaws, has notified the Unit Owners Association of its status as the beneficiary under any Mortgage and has requested all rights under the Condominium Instruments and the Condominium Act, as applicable, provided that where there are multiple bondholders under the Bonds then the term "Mortgagee" shall mean the party that has the fiduciary responsibility for administering the Bonds.

(ff) "Par Value" means the number of points assigned to each Unit by this Declaration as set forth on Exhibit B attached to and made a part of this Declaration.

(gg) "Permitted Uses" means those uses of the Building provided and permitted by Section 1.4 of this Declaration.

(hh) "Person" means any individual, corporation, association, foundation, trust, limited liability company, partnership or other legal entity, including an association of unit

owners, or any combination thereof, that may individually or collectively be the owner or owners of a Condominium Unit.

(ii) "Plans" or "Condominium Plans" consist of the plans of the Building showing the location and boundaries of each Unit and of the Common Elements located in and on the Building and the Land, and related matters that are subjected to the regime of the Condominium, and any amendments thereto, made in accordance with the provisions of this Declaration, certified by a registered architect and/or registered engineer, licensed in the District of Columbia, and filed among the Condominium Records of the Office of the District of Columbia Surveyor.

(jj) "Plats" or "Condominium Plats" means the plat(s) of survey of the Land and related matters that are subjected to the regime of the Condominium, and any amendments thereto, made in accordance with the provisions of this Declaration, certified by a registered surveyor and/or registered engineer, licensed in the District of Columbia and recorded among the Condominium Records of the Office of the District of Columbia Surveyor.

(kk) "Plats and Plans" means collectively the Plats and the Plans, noted on the cover sheet thereof as being dated as March 25, 2008.

(ll) "Required Vote" shall mean a Standard Majority Vote, except that (i) in those cases where the Condominium Instruments require a Special Majority Vote, and then a Required Vote shall mean a Special Majority Vote, (ii) in those cases where the Condominium Instruments require the approval of all the Unit Owners, and then a Required Vote shall mean a Unanimous Vote, and (iii) in the approval of a line item in a proposed budget for Limited Common Element Expenses where the line item relates to a Limited Common Element assigned to Unit No. 3, then a Required Vote must include a vote of approval from Unit No. 3 Owner.

(mm) "Reserved Common Element" means a portion of the General Common Elements not required for the functioning of the Condominium in the interests of all Unit Owners and with respect to which the Unit Owners Association, pursuant to this Declaration or by the Bylaws, has granted or may in its discretion grant a license to one or more (but not all) Unit Owners for exclusive use by those Unit Owner(s).

(nn) "Right of Access Conditions" means those conditions specified in Section 4.1 of this Declaration related to the exercise of right of entry to a Unit or the Limited Common Elements assigned to that Unit by the Unit Owners Association, the Managing Agent, any other person authorized by the Unit Owners Association, the Managing Agent or a Unit Owner.

(oo) "Rules and Regulations" means the rules and regulations adopted from time to time by the Unit Owners Association in accordance with the Bylaws.

(pp) "Schedule A" means the Schedule A to the Bylaws, which allocates the principal responsibilities for operation, maintenance, repair and replacement of the Common Elements, as the same may be amended from time to time.

(qq) "Service Facilities" means those facilities identified in Section 4.3 of this Declaration.

(rr) "Shortfall Fundings" means those advances of funds made by the Unit Owners Association pursuant to and under the Declaration of Parking Operations Agreement, as more specifically defined in that Declaration, including accruing interest thereon.

(ss) "Special Declarant Rights" shall mean those rights reserved for the benefit of the Declarant as provided for in the Condominium Act and the Condominium Instruments, and shall include, without limitation, the following rights: (i) to complete improvements indicated on the Plats and Plans filed with this Declaration; (ii) to maintain models, sales offices, leasing offices, management offices, customer service offices, and signs advertising the Units; and (iii) to use easements through the Common Elements and the Units for the purpose of making improvements or performing repairs within the Condominium.

(tt) "Special Expense/Special Expenses" means a Common Expense, other than Limited Common Element Expense, incurred by the Unit Owners Association with regard to, and which are allocable and assessable to, one or more, but fewer than all of the Unit Owners which Common Expense as allocable and assessed in accordance with and as specifically described in this Declaration or the Bylaws (including Schedule A), including but not limited to any costs and expenses incurred by the Unit Owners Association arising from (i) any residual environmental clean up obligations identified prior to the Effective Date and any environmental conditions that occur prior to the Effective Date due to the actions of the Declarant (or its agents or contractors) in the development of the Building and use of the Property, which obligations and conditions shall be the responsibility of and shared prorata by Unit No.1 Owner and Unit No. 2 Owner in accordance with the area of their respective Units, (ii) any environmental hazard or condition occurring within in a Unit from and after the Effective Date that a Unit Owner fails to accept responsibility for and pay, (iii) any environmental hazard or condition occurring in or about the General Common Elements from and after the Effective Date caused by or the result of an action or failure to act of one or more but less than all Unit Owners, or by any the tenants, contractors or agents of such Unit Owner or Unit Owners, (iv) any monies advanced by the Unit Owners Association on behalf of a Unit Owner to satisfy the failure of that Unit Owner to pay any assessment of General Expenses and Limited Common Element Expenses levied by the Unit Owners Association, together with interest accruing on any monies so advanced as provided by the Bylaws, (v) any and all costs, expenses and fees as may be incurred from time to time by the Unit Owners Association pursuant to the Declaration of Parking Operations, including but not limited to any monies due and owing the Unit Owners Association as repayment of any Shortfall Fundings arising under the Declaration of Parking Operations, (vi) as and when the Unit Owners Association provides security services for Unit No.3, any and all costs and expenses incurred by the Unit Owners Association related to the provision of security services for Unit No. 3 and its appurtenant Limited Common Elements, including but not limited to those costs and expenses arising from the installation, maintenance, repair and replacement of equipment, vehicles and facilities related to the provision of security services for Unit No. 3, the operation of the security systems of Unit No. 3, the employment and supervision of security personnel and/or the hiring of any vendor contracted for by the Unit Owners Association to provide security services with regard to Unit No. 3, (vii) any and all costs and expenses duly incurred by the Unit Owners Association regarding the upkeep, maintenance and repair of any Unit, any Limited Common Element assigned thereto, and any easement area subject to a grant to a Unit Owner and appurtenant to its Unit, together in any case with any interest accruing thereon as provided by the Bylaws, and (viii) any and all costs and expenses duly incurred by the Unit Owners Association

regarding the upkeep, maintenance and repair of General Common Element incurred due to the use or activity conducted in or about a Unit, a Limited Common Element appurtenant to that Unit or any easement area granted to a Unit, together in any case with any interest accruing thereon as provided by the Bylaws. Notwithstanding the foregoing in subsection (i) above of this definition, any environmental condition determined to exist after the Effective Date as a result of an action of Declarant, its agents or contractors prior to the Effective Date shall be deemed a responsibility of the Unit Owners Association (and not solely Unit No. 1 Owner and Unit No. 2 Owner) if the condition as of the date of the action by the Declarant or others would not have been deemed an environmentally hazardous condition by a governmental agency prior to the Effective Date, such as by example determination that a material installed in the Building by the Declarant, and not then recognized by any governmental agency as hazardous prior to the Effective Date, is, after the Effective Date, determined by a governmental agency to be hazardous, and thus the Unit Owners Association shall be liable for any remediation of the same (rather than solely Unit No.1 Owner and Unit No. 2 Owner).

(uu) "Special Majority Vote" means a vote of the Unit Owners Association in which Unit No.1 Owner and Unit No. 2 Owner are in agreement to take an action, or as applicable not to take an action.

(vv) "Standard Majority Vote" shall mean the vote or written approval of an action of the Unit Owners by Unit No. 1 Owner and any other Unit Owner, whether actually cast in person or by proxy at a duly held meeting of the Unit Owners Association at which a quorum is present, or alternatively reflected in a written consent or communication from the participating Unit Owners where no meeting is held as is permitted by the Bylaws.

(ww) "TIF Note" shall mean that certain Tax Increment Financing Note approved by the Council of the District of Columbia In the "Tax Increment Revenue Bond DC-USA Project Emergency Approval Resolution of 2004" (R-15-653).

(xx) "Title Documents" shall mean any documents (i) declaring easements, (ii) imposing covenants, conditions and restrictions on a party or its property, which relate to the physical development and operation of the Building or a component part thereof, or (iii) both, in any case whether affecting or benefiting the Property, in whole or in part, created or existing outside of this Declaration, whether now existing or hereafter executed, and shall include, without limitation, the following documents, if and to the extent the following remain in effect as an encumbrance upon legal title to the Property or any portion thereof after the Effective Date: (A) the applicable covenants, conditions and restrictions arising under the Land Disposition and Development Agreement, dated as of January 17, 2003 by and between RLA Revitalization Corporation, an independent instrumentality of the District of Columbia ("RLA RC"), and Declarant, as recorded on February 16, 2006 as Instrument No. 2006021126, as amended to the date of this Declaration (the "LDA"); (B) the applicable covenants, conditions and restrictions arising under Special Warranty Deed, made effective as of February 15, 2006, from RLA Revitalization Corporation to Declarant, recorded February 16, 2006 as Instrument No. 2006021128, among the Land Records; (C) that certain Mortgagee Agreement dated as of February 15, 2006, by and among RLARC, Declarant and Citibank USA, Inc. and Citicorp North America, Inc. (the "Mortgagee Agreement"), dated February 15, 2006 and recorded February 16, 2006 as Instrument No. 2006021129; (D) that certain Deed of Trust, Assignment of Leases,

Security Agreement and Fixture Filing, dated February 15, 2006, recorded among the Land Records as Instrument No. 2006021130, benefiting Citicorp USA, Inc., unless and until subordinated or released of record among the Land Records; (E) that certain Indemnity Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing, dated February 15, 2006, recorded among the Land Records as Instrument No. 2006021132, benefiting Citicorp North American, Inc., unless and until subordinated or released of record among the Land Records; (E) that certain order of the District of Columbia Board of Zoning Adjustment ("BZA") in BZA Application No. 17232, effective June 10, 2005 (the "BZA Order"); and (F) such additional matters as may arise or be in the chain of legal title prior to the Effective Date and which relate to the physical development and operation of the Property. The term "Title Documents" shall specifically not be deemed to mean the DC USA Deed, including any of the performance obligations thereunder, and any deed of conveyance to any Unit in the Condominium and any of the performance obligations thereunder.

(yy) "Unanimous Vote" means a vote requiring the agreement of all Unit Owners as to the action proposed.

(zz) "Unit" means a unit as defined by the Condominium Act, as separately described in Article II of this Declaration and as depicted on the Plats and Plans, and in any amendment to this Declaration and/or the Plats and Plans. Furthermore, where in this Declaration, in the Bylaws or on the Plans, a Unit is referred to by a specific Unit number as the same appears in the Common Element Interests Table set forth as Exhibit B attached to this Declaration and on the Plans, then the provisions of this Declaration and the Bylaws shall apply and be deemed to mean that identified Unit only (e.g. "Unit No. 1").

(aaa) "Unit Facilities" means any equipment and facilities serving a Unit that are located (i) within the boundaries of that Unit, but which may only be accessed through another Unit, or the Limited Common Elements or an easement area appurtenant to that other Unit, (ii) within any Limited Common Elements or easement area appurtenant to that Unit, where access can only be achieved through another Unit or Limited Common Element areas of another Unit, and (ii) within General Common Elements.

(bbb) "Unit Owner" or "Owner" means any Person capable of holding title to real property that owns fee simple title to a Condominium Unit, but does not include a Mortgagee, as such, unless and until such Mortgagee takes title to a Unit by foreclosure or process in lieu thereof. Furthermore, where in this Declaration and the Bylaws a Unit Owner is referred to as the Unit Owner of a specific Unit, then the provisions of this Declaration and the Bylaws shall apply and be deemed to give specific reference to that identified Unit Owner only (e.g. "Unit No. 1 Owner").

(ccc) "Unit Owners Association" means collectively all of the Unit Owners acting as a group in accordance with the provisions of the Condominium Act, this Declaration and the Bylaws. The Unit Owners Association shall be incorporated as a District of Columbia non-profit corporation.

Section 1.3 Name and Address of Condominium. The name of the Condominium is the "DC USA Condominium." The address of the Condominium is 3100 14th Street, N.W., Washington, D.C. 20010.

Section 1.4 Permitted Uses.

(a) Generally Unit No. 1 may be used for retail/commercial uses that would be found in a similar high quality, mixed use retail/commercial project, including without limitation retail, entertainment, recreational, service and restaurant uses, consistent with high quality urban development projects. In any case, only for those uses as are permitted by applicable law, including without limitation the District of Columbia Zoning Regulations, as the same may exist from time to time (the "Zoning Regulations"), the DC USA Deed and the Title Documents. Notwithstanding the foregoing should Unit No. 1 Owner elect to develop the Excess Development Rights within Unit No. 1 as provided for in and permitted pursuant to Section 2.7 of this Declaration, then Unit No. 1 Owner may use the portion of the Unit and the Building developed with the Excess Development Rights for uses as permitted by the Zoning Regulations. The use of Unit No. 1 for any use may only be undertaken, operated and maintained in accordance with and subject to the terms and conditions set forth in this Declaration, the Bylaws, or both and then only in accordance with applicable law, the DC USA Deed and the Title Documents, as applicable.

(b) Generally Unit No. 2 may be used only for a high quality, "big box" retail uses, and any retail/commercial uses that would be found in a similar high quality, mixed use retail/commercial project, including without limitation retail, entertainment, recreational, service and restaurant uses, consistent with high quality urban development projects, but in any case only those retail and accessory uses as are permitted by applicable law, including without limitation the Zoning Regulations, the DC USA Deed and the Title Documents. The use of Unit No. 2 for any use may only be undertaken, operated and maintained in accordance with and subject to the terms and conditions set forth in this Declaration, the Bylaws, or both and then only in accordance with applicable law, the DC USA Deed and the Title Documents, as applicable.

(c) Unit No. 3 may be used only for off-street vehicular parking purposes providing for and serving primarily the off-street vehicular and bicycle parking needs arising from the various Permitted Uses of each of Unit No.1 and Unit No. 2 as identified in Sections 1.4 (a) and (b) above, open to the public, and required to provide no less than one thousand (1,000) striped parking spaces and access thereto satisfying the requirements of the Zoning Regulations, and the ability to provide accommodations for attendant assisted parking for two hundred forty four (244) additional vehicles as required by the provisions of the BZA Order. No change in use or in the number of parking spaces required under the BZA Order may be made except with the approval of the Unit Owners Association by a Unanimous Vote, which approval may be only granted by the Unit Owners Association where (i) such a change in use would not cause the Building to violate applicable laws, including the Zoning Regulations, the DC USA Deed, the Title Documents, and the Declaration of Parking Operations, and (ii) the prior approval in writing from each Mortgagee of a Unit in the Condominium. The use of Unit No. 3 for off-street vehicular parking may only be undertaken, operated and maintained in accordance with and subject to the terms and conditions set forth in this Declaration, the Bylaws, the DC USA Deed,

the Title Documents, the Declaration of Parking Operations, or any or all of them, and then only in accordance with applicable law.

Section 1.5 Warranty as to the Common Elements and Any Unit; Transfer of Non-Real Estate Assets.

(a) No warranty against structural defects in the Common Elements or in any Unit is given or made by the Declarant to any Unit Owner or to the Unit Owners Association; any warranty against structural defects otherwise available pursuant to the Condominium Act from Declarant is deemed specifically waived by the Unit Owners and the Unit Owners Association. By acceptance of a deed to a Unit from the Declarant, a Unit Owner will be deemed conclusively to have accepted such Unit without any statutory warranty as to structural defects.

(b) Notwithstanding that no warranty is given or made by the Declarant pursuant to this Declaration by the Declarant, Declarant does hereby assign and transfer over (i) to the Unit Owners Association as to the General Common Elements (A) any warranties or performance guarantees made and given by third parties to Declarant as the developer or owner of the Property, (B) all personal property located upon the Land or within the Building owned by Declarant and used in connection with the General Common Elements, if any, and (C) all licenses and permits issued to or owned by Declarant relating to the General Common Elements, and (ii) to each Unit Owner as to its Unit and any Limited Common Elements appurtenant thereto (A) any warranties or performance guarantees made and given by third parties to Declarant as the developer or owner of the Property, (B) all personal property located within the Unit owned by Declarant and used in connection with such Owner's Unit or the assigned Limited Common Elements, if any, and (C) all licenses and permits issued to or owned by Declarant relating to such Owner's Unit or the assigned Limited Common Elements, if any.

ARTICLE II
BUILDING ON THE LAND; UNIT BOUNDARIES

Section 2.1 Location and Dimensions of the Building. The location and dimensions of the Building on the Land are shown on the Condominium Plats.

Section 2.2 Units. The location of the Units within the Building and their dimensions are shown on the Condominium Plans. The Common Element Interests Table, attached as Exhibit B hereto, is a serial list of all the Units in the Condominium, each Unit's identifying designation and the Common Element Interest appurtenant to each Unit determined on the basis of Par Value.

Section 2.3 Unit Boundaries. The boundaries of each Unit are as follows:

(a) Upper and Lower (horizontal) Boundaries of a Unit: The upper and lower boundaries of each Unit shown on the Plans are the following boundaries extended to intersections with the vertical (perimetric) boundaries:

(i) Upper Boundaries:

(A) Except as to Unit No. 1, the upper boundary of a Unit shall be the horizontal planes of the bottom surface of the structural slab of the ceiling of the uppermost floor of a Unit as that floor may exist at various levels in the Building; provided, however, that with respect to any portion of a Unit where there is an opening in the ceiling, then the upper boundary of that Unit at such location shall be deemed to be bounded by a plane extended horizontally and in a direct line across said opening, all as more fully depicted on the Plans.

(B) As to Unit No. 1, (i) for that portion of Unit No. 1 located physically below Unit No. 2, the upper boundary of the Unit shall be those horizontal planes at the bottom surface of the structural slab the upper surface of which is the lowest most floor of Unit No. 2 at various levels in the Building; provided, however, that with respect to any portion of Unit No. 1 below Unit No. 2, where there is an opening in the bounding structural slab, then the upper boundary of Unit No. 1 shall be deemed to be bounded by an extension of the horizontal plane of the surrounding boundary of Unit No. 1 in a direct line across said opening, but in no event above the lower boundary of Unit No. 2, (ii) for that portion of Unit No. 1 situated within Unit No. 3, the upper boundary shall be the horizontal planes of the bottom surface of the structural slab of the ceiling of the uppermost floor of that Unit as that floor may exist at various levels in the Building; provided, however, that with respect to any portion of that Unit where there is an opening in the ceiling, then the upper boundary of that Unit at such location shall be deemed to be the upper boundary of the portion of Unit No. 1 above, all as may be more fully depicted on the Plans, and (iii) for the remainder of Unit No. 1, there shall be no upper horizontal boundary to Unit No. 1.

(C) As to Unit No. 2, for that portion of Unit No. 2 situated within Unit No. 3 or within General Common Elements, the upper boundary shall be the horizontal planes of the bottom surface of the structural slab of the ceiling of the uppermost floor of that Unit as that floor may exist at various levels in the Building; provided, however, that with respect to any portion of that Unit where there is an opening in the ceiling, then the upper boundary of that Unit at such location shall be deemed to be the boundary of the portion of Unit No. 2 above, all as may be more fully depicted on the Plans.

(D) Any horizontal structural slab separating Units or separating a Unit from Common Elements shall be a General Common Element unless the Condominium Instruments shall

specifically provide otherwise, such as where elevator shaft penetrations exist for and of a Unit.

(ii) Lower Boundaries: The lower boundary of a Unit shall be those horizontal planes of the top surface of the undecorated structural floor slab of the lowest floor of a Unit at various levels in the Building, provided, however, that with respect to any portion of a Unit where a floor slab does not exist, then the lower boundary of that Unit shall be the extension horizontally of the surrounding lower boundary of the Unit in a direct line across said opening, all as more fully depicted on the Plans.

(b) Vertical (perimetric) Boundaries:

(i) Except as provided in Section 2.3(b)(ii) below with regard to any portion of Unit No. 1 located above the elevation of the surface of any roof slab of the Building as such elevations are fixed as of the Effective Date and depicted on Sheet 16 of 16 of the Plats and Plans, the vertical boundaries of each Unit shall be and are, as applicable: (A) as to any bounding walls, or portions thereof, that are exterior walls of the Building, the vertical planes of the interior surface of all exterior walls of the Building, including of any parking ramp, whether above or below grade, (any drywall or other type of finishing covering the interior surface of any exterior wall being deemed part of and within the Unit), provided that the exterior surface of doors, and window and window systems located from time to time at the ground floor level of the Building in the vertical walls that are the exterior walls of the Building bounding the Unit shall be deemed part of the Unit; (B) as to any bounding walls, or portions thereof, of a Unit that are not the exterior walls of the Building, then, (1) where there is wall board affixed, the vertical planes of the back surface of the wall board of any interior wall bounding a Unit, provided that if the bounding wall, or portion, thereof is a wall directly confronting the Atrium Lobby, then the bounding wall, or the portion thereof that confronts that Atrium Lobby shall be deemed part of the Unit, and the boundary of the Unit of those bounding walls or the applicable portion thereof shall be the exterior face of that exterior wall or the portion thereof that confronts the Atrium Lobby, (2) where there is not wall board affixed, then generally the vertical planes of exposed surface of the material that bounds and directly confronts the airspace within the Unit, except where otherwise noted on the Plans, such as with regard to any portion of Unit No. 1 located within the bounds of Unit No. 3, where the bounding walls shall be deemed part of Unit No. 1, and (3) where there are any doors, and window and window systems, then generally the vertical planes of the exterior surface of those doors, and window and window systems, provided that in regard to the glass enclosures and supporting systems bounding the General Common Element elevator lobbies located within Unit No. 3, then the bounding doors, and windows and window systems shall be deemed General Common Elements, and the boundary of Unit 3 shall be the exterior face of those enclosures and systems that directly confronts and faces into the air space of Unit No. 3. In each of the above, the boundary of a Unit shall be as those vertical planes are extended to intersections with each other and with the upper and lower horizontal boundaries of the Unit, and further provided that, in any case where there is no vertical wall bounding such Unit, the vertical boundary in such area will be the vertical boundary line separating such Unit from another Unit or from any Common Elements as such boundary line is determined by extending, in a direct line, that boundary line across said opening in a straight or level plane, all as more fully depicted on the Plans.

(ii) With regard to any portion of Unit No. 1 located above the elevation of the surface of any roof slab of the Building, as such elevations are fixed as of the Effective Date and depicted on Sheet 14 of 16 and Sheet 16 of 16 of the Plats and Plans respectively, the vertical boundaries of such portion of Unit No.1 shall be the property line of the Land, except that where such portion of Unit No.1 does not confront a property line of the land, then the vertical boundary of Unit shall be the extension directly upward of the vertical boundary of Unit No. 1 as the same is located below the roof slab of the Building, as the same is depicted on Sheet 12 of 16 and Sheet 14 of 16 of the Plats and Plans.

(c) Included as part of each Unit, except as otherwise noted below, are: (i) all equipment related to the exclusive use and operation of a Unit, including but not limited to air-conditioning and heating components serving only that Unit, whether located inside or outside of the designated boundaries of the Unit; (ii) as to Unit No. 3 only, all equipment, facilities and infrastructure related to the security system and operations of Unit No.3 and the two level parking facility situated therein; (iii) any power source exclusively servicing a Unit, and the energy source exclusively therefor (including any fuel storage tank), whether located inside or outside of the designated boundaries of a Unit; (iv) any elevators, escalators, and convenience staircases, together with related areas and facilities, whether located inside or outside of the designated boundaries of a Unit and serving only that Unit, and all equipment serving and supporting such elevator, escalator or convenience staircase serving that Unit, whether located inside or outside of the designated boundaries of a Unit; (v) any equipment, fixtures and ancillary movable items, such as but not limited to (A) shopping carts and cart corrals, (B) banners, art work, and display materials and (C) kiosks, carts, and the like, in any case and in each case of (A), (B) and (C) related to the use and operation of a Unit, located or positioned outside of the designated boundaries of a Unit; (vi) Identification Monuments pertinent to the Unit, wherever located, in the Common Elements; and (vii) subject to the following sentence, all space, interior partitions and other fixtures and improvements, including but not limited to Identification Monuments within the designated boundaries of a Unit. Subject to Section 2.3(d), if any chute, flue, duct, pipe, conduit, chase, wire, bearing wall or column, or any other apparatus serving the Unit, lies partially inside and partially outside of the designated boundaries of that Unit, then any portions thereof serving only that Unit and located outside the designated boundaries of that Unit, shall be deemed a part of that Unit; any portions thereof wherever located serving more than one Unit shall be deemed Common Elements.

(d) For the purposes of this Section, the term "Unit" shall be deemed to include the floor slabs, ramp ways and other horizontal surfaces located within the designated boundaries of a Unit, but shall not be deemed to include any slab, or any horizontal supporting structure thereof that protrudes below the bottom surface of any slab that serves as demarcation of an upper or lower horizontal boundary of a Unit, including the structural slab of the Building serving as the roof of the Building, the structural slab of the Building that is the lowest foundation slab of the Building, a slab at any level between Unit No. 1 and Unit No. 3, and the portion of slab at any level that separates Unit No. 1 and Unit No. 2, all of which Unit boundary slabs and the horizontal supporting structure(s) thereof shall be deemed General Common Elements or Limited Common Elements as may be depicted on the Plan and Plans or identified as such on Schedule A, in any case subject to the provisions of Schedule A with regard to the responsibilities of individual Unit Owners therefore, including the costs related thereof. For the purposes of this Section, the term "Unit" shall not be deemed to include, as applicable, (i) any

vertical supports of the Building, including columns, whether part of any bounding walls of a Unit, or not, (ii) the space between the back surfaces of any bounding walls separating adjoining Units, (iii) any building systems of any kind and nature serving more than one Unit, notwithstanding that same maybe located within the designated boundaries of a Unit, and (iv) as to Unit No.1 only, the portion of any roof of the Building, as such roof exists as of the Effective Date, within the vertical boundaries of Unit No. 1, shall be deemed a General Common Element. The designation of any slab or portion thereof as a boundary slab to a Unit and thus a General Common Element is not intended to modify the allocation of responsibility and costs/expenses thereof of a Unit Owner as specified in Schedule A.

(e) Where this is a conflict between the location of a boundary of a Unit as would be fixed pursuant to the provisions of this Section 2.3 of the Declaration and the depiction of that Unit on the Plats and Plans, the location of a Unit as fixed pursuant to the provisions of this Section 2.3 shall be controlling.

Section 2.4 Operation, Maintenance, Repair and Replacement Responsibilities of a Unit. Notwithstanding the description of the boundaries of each Unit, the provisions of the Bylaws, including Schedule A thereto, shall govern the division of operation, maintenance, repair and replacement responsibilities of Units and Common Elements among Unit Owners and between each Unit Owner and the Unit Owners Association, as well as the consequent sharing of General Expenses or Limited Common Element Expenses. Generally however, and except as provided by Schedule A, (i) the Unit Owners Association shall have responsibility to undertake construction, operation, maintenance, repair and replacement of any General Common Elements located within or serving as the boundaries of a Unit, (ii) a Unit Owner shall be solely liable for undertaking construction, operation, maintenance, repair and replacement of the furnishings, fixtures, equipment and interior improvements and betterments of its Unit, including the cost and expenses thereof, and (iii) the Unit Owner of a Unit or Unit Owners of Units to which Limited Common Elements are assigned thereto shall be solely liable for undertaking construction, operation, maintenance, repair and replacement of the furnishings, fixtures, equipment and interior improvements and betterments of those Limited Common Elements, including the cost and expense thereof, unless the same are specifically identified as the responsibility of the Unit Owners Association, or another Unit Owner pursuant to this Declaration or the Bylaws, including Schedule A. Each Unit Owner shall operate, maintain and repair its Unit, and each Unit Owner or group of Unit Owners shall operate, maintain and repair the Limited Common Elements assigned thereto, in a high quality condition, comparable to what would be found from time to time in comparable high quality retail/commercial developments in the Washington, D.C. metropolitan area. Each Unit Owner shall periodically refurbish its Unit and see to the refurbishment of the Limited Common Elements assigned thereto, or as applicable replace operating equipment for its Unit and see to the applicable replacement of operating equipment related to such Limited Common Elements so as to maintain such standard as to both the Unit and those Limited Common Elements.

Section 2.5 Relocation of Boundaries Between Units and Subdivision of Units. Each of Unit No. 1 and Unit No. 2 may be legally subdivided by its applicable Unit Owner subject to obtaining the approval of any affected Mortgagee of the Unit, and upon giving prior notice to the other Units and Unit Owners Association of the intent to undertake the same. Unit No. 3 may not be subdivided by its Unit Owner without the prior approval in writing from all Unit Owners and each Mortgagee of a Unit. The unit boundaries between or among any of Unit No. 1, Unit No. 2 and Unit No. 3 may not be relocated without the prior approval in writing from all affected Unit Owners, each affected Mortgagee of the Unit(s) involved and the Unit Owners Association by Standard Majority Vote.

(c) Where a subdivision or boundary relocation is permitted, an amendment to this Declaration shall be entered into by the affected Unit Owners and the Unit Owners Association to effect any Unit subdivision or boundary relocation and thereafter such amendment shall be recorded by the Unit Owners Association as provided in Section 42-1902.25 or Section 42-1902.26 of the Condominium Act, among the Land Records, and, if appropriate, an amendment to the Plans which shall be similarly prepared and filed with the Office of the Surveyor of the District of Columbia, all at no expense to the Unit Owners Association.

Section 2.6 Establishment of a Subordinate Condominium Regime within a Unit.

(a) Subject to the Title Documents, and the Declaration of Parking Operations where applicable, each of Unit No. 1 Owner and Unit No. 2 Owner may establish a subordinate condominium regime within its Unit, provided that the same does not cause the Building to become in violation of any applicable provisions of the Zoning Regulations, and undertaking the establishment of a subordinate condominium regime within its Unit shall not require the prior approval of the Unit Owners Association so long as undertaking the same would not impose additional material and substantive obligations on the Unit Owners Association or alter the Common Element Interest appurtenant to any Unit. If it can reasonably be demonstrated and determined that additional material and substantive obligations would be imposed upon the Unit Owners Association as a result of the establishment of the subordinate condominium regime or there would be an alteration of the Common Element Interest allocation to any Unit, then the prior approval of the Unit Owners Association shall be required by a Unanimous Vote.

(b) Subject to the Title Documents and the Declaration of Parking Operations, Unit No. 3 Owner may establish a condominium regime within Unit No. 3, provided that (i) the same does not cause the Building to become in violation of any applicable provisions of the Zoning Regulations, and (ii) the approval of the Unit Owners Association is obtained by the Unanimous Vote prior to the establishment of a subordinate condominium regime within Unit No. 3.

(c) Where a Unit Owner has satisfied the conditions to establishment of a subordinate condominium regime within its Unit as described in subparagraphs (a) or (b) of this Section as applicable, and thereafter proceeds to so establish a condominium regime within its Unit, that Unit Owner shall provide notice thereof to the Unit Owners Association at such time as such a regime is duly established in accordance with the Condominium Act. Any Unit in which a subordinate condominium regime is established shall remain for all purposes a single Unit of the Condominium, with the Common Element Interest specified herein. That is, the vote

of such Unit shall thereafter be exercised by the unit owners association for the condominium regime established within such Unit and not by the individual unit owners of units in any condominium established within that Unit. Further, any and all Common Expenses and other expenses payable by such Unit shall be an obligation of the unit owners' association in such subordinate condominium regime. The Unit Owners Association shall incur no costs related to either the establishment or the continuation thereafter of a condominium regime within any of Unit No. 1, Unit No. 2, or Unit No. 3, all of the same being borne by the Unit Owner, or its successors or transferees thereof, that has undertaken to establish a condominium regime within its Unit. Upon the establishment of a subordinate condominium regime within a Unit, the Unit Owners' Association shall be a "master association" as defined in Section 42-1903.18 of Condominium Act.

Section 2.7 Development Rights/Expansion of Building.

(a) Entitlement to Excess Development Rights. Any gross floor area attributable to Land pursuant to the Zoning Regulations from time to time (as the term "gross floor area" is defined in the Zoning Regulations) not consumed by and incorporated in the Building as of the date of this Declaration shall be deemed excess gross floor area appurtenant to the Land and attributable to and vested with Unit No. 1 ("Excess Development Rights").

(b) Development Above The Building. If Unit No. 1 Owner desires to develop any or all of the Excess Development Rights within Unit No. 1, the Unit No. 1 Owner shall review the concept and plans for the same with the Unit Owners Association. Approval by all Unit Owners shall be required, provided that so long as the proposal for development of the Excess Development Rights (i) would not be expected to materially and adversely impact the structural integrity of the Building, (ii) would not be expected to impose any material or significant burden on the Building's operating systems, (iii) would be for uses that are permitted by the applicable provisions of the Zoning Regulations and not incompatible with the Permitted Uses and the DC USA Deed, (iv) would not cause a violation of the provisions of any of the Title Documents, (v) would not put Unit No. 3 in non-compliance with or in violation of the Zoning Regulations if Unit No. 3 is required to provide parking accommodations for any uses of the additional development using the Excess Development Rights, (vi) would not require Unit No. 3 to provide occupants of the additional development using the Excess Development Rights if the granting of such parking rights could reasonably be expected to have an adverse impact the operations of Unit No. 3 as primarily a parking facility for the retail/commercial uses of Unit No.1 and Unit No. 2, (vii) would not cause Unit No. 3 to incur costs and expenses that would not be compensated with regard to the operation of the parking facilities located within Unit No. 3, (viii) is architecturally compatible with the Building, and (ix) all rights to easements granted to and appurtenant to Unit No. 3 as to the roof of the Building within Unit No. 1 are preserved, provided the same may be duly relocated to any higher roof elevation of the Building located within Unit No. 1, at no cost to Unit No. 3 Owner, then neither the Unit Owners Association nor any Unit Owner may unreasonably withhold its consent to or condition its approval of the proposed development of the Excess Development Rights within Unit No. 1 as requested by Unit No. 1 Owner in accordance with this Section 2.7. The Unit Owners Association on behalf of each Unit Owner, at no cost to the Unit Owners Association or any other Unit Owner, shall cooperate in the preparation of and thereafter fully support any request for relief requested by Unit No. 1 Owner under then applicable zoning regulations of the District of Columbia and then

applicable construction codes of the District of Columbia to permit development, and the subsequent use of the Excess Development Rights within Unit No. 1. As appropriate, amendments to several of the Condominium Instruments as the same then exist and are effective shall be prepared by Unit No. 1 Owner to reflect the physical additions to the Unit and the Building arising from the approved development of the Excess Development Instruments, and any changes in the relationship of the Unit Owners resulting from such development.

ARTICLE III COMMON ELEMENTS

Section 3.1 General Common Elements. The locations of the General Common Elements are shown on the Plats and the Plans and consist of the entire Condominium, other than the Units and Limited Common Elements. The General Common Elements include, without limitation, the following:

- (a) The Land;
- (b) All foundations, foundation walls, columns, girders, beams, floor slabs and supports of the Building whether the same are located within or outside of a Unit, except those horizontal structural elements identified in Section 2.3 as part of a Unit;
- (c) All exterior walls and facings of the Building and any other exterior surfaces and fixtures attached to such walls, facings and surfaces (including without limitation the structural grid wall) and all partitions separating Units, except to the extent the portion thereof is included as part of a Unit or identified as Limited Common Elements;
- (d) The mechanical, electrical, telephone/telecommunications, maintenance, trash and other rooms located in the Building to the extent not included as part of a Unit or identified as Limited Common Elements;
- (e) All mechanical, electrical, telephone/telecommunications and plumbing equipment and related facilities, including but not limited to all pumps, pipes, wires, cables, conduits and other apparatus relating to the water distribution, power, light, telephone, gas, sewer, heating, air conditioning and plumbing systems located in and/or serving the Building and not included as part of a Unit or identified as Limited Common Elements;
- (f) The roof slab, roofing materials and roof structures of the Building to the extent not identified as part of a Unit or identified as Limited Common Elements;
- (g) The entrances, vestibules, lobbies, reception spaces, common seating areas, elevator lobbies and all other hallways and areas located in or about the Condominium to the extent not identified as either part of a Unit or identified as Limited Common Elements, and specifically including any vertical enclosures thereof;
- (h) All furniture, fixtures and equipment (i) purchased, and installed or located in General Common Element areas of the Condominium by the Declarant as of the Effective Date and not identified as a Limited Common Element or part of a Unit, or as the personal property of any Unit Owner, and (ii) purchased or otherwise acquired as of and after the

Effective Date by the Unit Owners Association for installation in the General Common Element areas of the Condominium, but in any case specifically excluding as General Common Elements (A) property of Declarant, including but not limited to signage, acquired as and related to its ownership of any Unit located within or attached to the General Common Elements, (B) property of any of tenant of any Unit, including but not limited to signage, acquired as and related to its leasing of any space in any Unit, which may be located within or attached to the General Common Elements, (C) furniture, materials and equipment belonging to any contractor of the Declarant, any Unit Owner or any tenant of any Unit Owner that is located within or attached to the General Common Element areas of Condominium, and (D) any merchandising kiosk, cart or similar feature of any Unit Owner, or a tenant thereof that is permitted to be located in, on or about General Common Element areas pursuant to the Rules and Regulations, such property, furniture, materials and equipment being deemed part of any Unit, identified as a Limited Common Element appurtenant to the Unit to which it is associated, or the personal property of a Unit Owner or its tenant/occupant of such Unit.

(i) The elevators and elevator shafts, escalators and escalator machinery areas, and in each case related equipment thereto located within or that serve the General Common Elements or all Units, excluding, specifically however (i) elevators and elevator shafts, and escalators and escalators machinery areas and pits identified on the Plan as within Limited Common Elements, and (ii) elevators, escalators and cartolaters that are located within the boundaries of any Unit;

(j) The stairwells and stairs of the Building, including fire egress stairs, but excluding stairwells and stairs identified as Limited Common Elements and convenience or other stairs situated within the boundaries of a Unit;

(k) All exterior entrance doors and windows located in and on the Building, except those identified as Limited Common Elements or included as part of a Unit;

(l) Storage spaces in the Building not otherwise identified as Limited Common Elements or located within the boundaries of a Unit;

(m) Off-street loading facilities serving the Building, as well as rights to other off-street loading facilities, except those located within the boundaries of a Unit or those identified as Limited Common Elements;

(n) Rights to subterranean vaults located within public rights of way, or portions thereof, adjacent to the Land, if any;

(o) Landscaping features located in the General Common Elements of the Condominium including but not limited to walkways, planters, gardens, furniture and lighting, and any landscaping features within areas of the Building and the Land marked as the General Common Elements of the Condominium, whether interior or exterior to the Building;

(p) All rights and entitlements in and to adjacent public rights of way that accrue to the Land;

(q) Easements, covenants, restrictions and similar agreements benefiting or burdening the Property, except to the extent identified as Limited Common Elements or as part of a Unit;

(r) Except as may be otherwise set forth herein, all apparatus and installations now located upon or hereinafter constructed or installed in the Building or on the Land for common use, or necessary or convenient to the existence, the common maintenance or safety of the Building or the Land;

(s) All permits, licenses, approvals, and similar governmental actions related to the use and operation of the Building (e.g., elevator licenses, etc.), but specifically excluding those related to the use and occupancy of a specific Unit or portion thereof;

(t) Such other areas or elements of the Property identified as General Common Elements on Schedule A; and,

(u) The security system and operations related to the General Common Elements of the Building (and specifically excluding those related to security services provided to Unit No. 3).

Section 3.2 Reserved Common Elements.

The Unit Owners Association shall have the power in its discretion from time to time to grant revocable licenses in designated portions of the General Common Elements to a Unit Owner as Reserved Common Elements. A Standard Majority Vote of the Unit Owners Association shall be required before such designation and granting of a license may be made, provided that where such designation (a) would reasonably be expected to materially and adversely deprive any Unit Owner, which is not the intended licensee of the Reserved Common Elements, of any material benefit that all Unit Owners then enjoy with regard to the portions of the General Common Elements proposed to be designated as Reserved Common Elements, and/or (b) would reasonably be expected to impose a greater financial obligation for General Expenses or other burdens upon any Unit Owner that is not the beneficiary of the license for Reserved Common Elements than would have been the case if such designation had not occurred, then a Unanimous Vote shall be required to designate and then license Reserved Common Elements to one or more, but less than all Unit Owners. Any Unit Owner that is granted rights to Reserved Common Elements shall indemnify and hold harmless the Unit Owners Association from any claims, losses, expenses and costs related to the use of the same. The Unit Owners Association may establish a reasonable charge to the Unit Owner of the Unit to which the Reserved Common Elements are licensed for the use and maintenance thereof. The designation by the Unit Owners Association of any General Common Elements as Reserved Common Elements shall not be construed as a sale or disposition of the General Common Elements. Any Common Expenses directly attributable to the operation of General Common Elements that are designated as Reserved Common Elements shall be deemed Special Expenses and shall be borne solely by the benefited Unit Owner or if there is more than one benefited Unit Owner then by each Unit Owner at its Default Share, unless there is agreement among those Unit Owners otherwise. Any income generated by the Unit Owner through the use of Reserved

Common Elements licensed to it shall belong solely to that Unit Owner or those Unit Owners, as applicable.

Section 3.3 Limited Common Elements. Limited Common Elements are those Common Elements that are identified on the Plats and the Plans, or are otherwise described in this Section 3.3 as Limited Common Elements for the benefit of one or more, but less than all Unit Owners, and shall include but are not limited to the following:

(a) Areas of any roof of the Building identified on either the Plats and Plans or in Schedule A as Limited Common Elements, as well as any roof improvements and roof structures appurtenant to one or more but less than all Units;

(b) The mechanical, electrical, telephone/telecommunications and maintenance rooms and other areas located in, on or about the Building to the extent not included as part of a Unit, and identified as Limited Common Elements on the Plats and Plans or in Schedule A;

(c) Any mechanical, electrical, HVAC, telephone/telecommunications, antennae and related equipment, and plumbing equipment and related facilities, including but not limited to all pumps, pipes, wires, cables, conduits and other apparatus relating to the water distribution, power, light, telephone, gas, sewer, heating, air conditioning and plumbing systems located in and/or serving fewer than all Units and not included as parts of a Unit, and areas related thereto identified as Limited Common Elements on the Plats and Plans or in Schedule A;

(d) Areas of the Common Elements, vertically and horizontally, as depicted or identified on the Plats and Plans or on Schedule A, where Identification Monuments (as defined in Section 4.12 of this Declaration) may be installed and maintained by a Unit Owner (or a tenant/occupant of a Unit of such Unit Owner);

(e) Any off-street loading facilities wherever located, including but not limited to roll down doors and other facilities and equipment marked on the Plats and Plans or noted in Schedule A as Limited Common Elements;

(f) Elevators, elevator machinery areas and elevator shafts and pits, escalators, escalator machinery areas and pits, and cartolator machinery areas and pits, in each case together with related equipment that serve one or more, but less than all Units of the Condominium as identified on the Plats and Plans or in Schedule A as Limited Common Elements.

(g) The exterior surface of any such elevator door and the exterior surface of the framework of the elevator door of any Common Element elevator that opens directly into a Unit, which in each case shall be deemed Limited Common Elements of that Unit.

(h) Areas within the Common Elements identified on or noted in the Plats and Plans, Schedule A, or approved by the Unit Owners Association pursuant to the applicable provisions of the Bylaws, where merchandising kiosks, carts or similar features and vending opportunities, and supporting facilities, banners and equipment may be located by a benefited Unit Owner or a tenant thereof.

(i) All furniture, fixtures and equipment (i) purchased, and installed or located in Limited Common Element areas of the Condominium by the Declarant as of the Effective Date, and not identified as part of a Unit or as the personal property of any Unit Owner, and (ii) purchased or otherwise acquired as of and after the Effective Date by the Unit Owners Association for installation in the Limited Common Element areas of the Condominium, but in any case specifically excluding as Limited Common Elements (A) property of Declarant, including but not limited to signage and artwork, acquired as and related to its ownership and use of any Unit, located within or attached to the Limited Common Elements, (B) property of any tenant of any Unit, including but not limited to signage, acquired as and related to its leasing of any space in any Unit, which may be located within or attached to the Limited Common Elements, (C) furniture, materials and equipment belonging to any contractor of the Declarant, any Unit Owner or any tenant of any Unit Owner that is located within or attached to the Limited Common Element areas of Condominium, and (D) any merchandising kiosk, cart, furniture, banner, materials, and equipment of any Unit Owner, or a tenant thereof that is permitted to be located in, on or about areas of Common Elements, such property being deemed part of any Unit or the personal property of a Unit Owner or its tenant/occupant of such Unit.

(j) To the extent not part of a Unit, all entrance doors, and window and window assemblies located in and on vertical boundaries of that Unit, whether fronting on the exterior of the Building or on interior General Common Element areas, but specifically not including any entrance door and window/window assemblies located on or about the exterior face of the Building fronting on, or providing ingress to or egress from the exterior of the Building to, the interior General Common Element areas of the Building, such as the Atrium Lobby;

(k) Landscaping features of any Limited Common Elements, including but not limited to walkways, planters, furniture and lighting; and

(l) Such other areas or elements of the Property identified as Limited Common Elements on Plats and Plans or in Schedule A.

Section 3.4 Allocation of Parking Rights. Each of Unit No. 1 Owner and Unit No. 2 Owner, and the permittees, licensees and invitees of each, shall be entitled to use on a non-exclusive basis with the Unit No. 3 Owner and its permittees, licensees and invitees, the parking accommodations in the public parking garage facility located within Unit No. 3, all in accordance with and subject to the provisions of the Declaration of Parking Operations. As a public parking garage facility, Unit No. 3 Owner shall make available to each of Unit No. 1 Owner and Unit No. 2 Owner no less than the amount of off street parking spaces required by the Zoning Regulations for the Permitted Uses in Unit No. 1 and Unit No. 2.

ARTICLE IV EASEMENTS, COVENANTS AND RESTRICTIONS

In addition to the easements created by Sections 42-1902.16 of the Condominium Act and by the Title Documents, the Condominium shall be subject to the following easements, covenants, conditions, limitations and restrictions:

Section 4.1 Easement for Access.

At no expense to the benefited Person:

(a) The Unit Owners Association, any of its officers, the Managing Agent and any other person authorized by the Unit Owners Association, and any of its officers or the Managing Agent shall have the right of access at any time to any Limited Common Element or any Unit as provided in Section 42-1903.07 of the Condominium Act and Section 5.8 of the Bylaws, subject to compliance with the Right of Access Conditions. The term "Right of Access Conditions" shall mean that access is gained and used in a manner that (i) does not materially and substantively interfere with the normal business operations of a Unit Owner, or its tenants or occupants, except in the case of an emergency or where applicable law imposes restrictions or conditions, and (ii) except with regard to activities conducted pursuant to the exercise of rights provided for in Section 4.3(f) of this Declaration, is had only during normal operating hours of the Unit, or of any tenant or occupant thereof.

(b) Each of Unit No. 1 Owner and Unit No. 2 Owner shall have a right of access at any time in, to and through Unit No. 3 to gain access to any portion of its Unit and any Limited Common Elements assigned to its Unit and to any easement area granted to such Unit Owner, in each case which are located within, or to which access may be gained only through, Unit No. 3, subject as appropriate to the giving of reasonable prior notice to Unit No. 3 Owner where access to such portion of a Unit, any Limited Common Element assign to such Unit or easement area can only be obtained through an area of Unit No. 3 under restricted access or control, such as a management office of any operator of the parking garage facility located in Unit No. 3.

(c) Unit No. 3 Owner, its agents and contractors shall have a right of access to and through each of Unit No. 1 and Unit No. 2 to gain access to any (i) Limited Common Elements assigned to Unit No. 3, and (ii) any easement area granted to Unit No. 3 Owner, which are located within, or may only be reasonably accessed through Unit No. 1 or Unit No. 2, as applicable, subject to satisfaction of the Right of Access Conditions with regard to the affected Unit.

(d) Unit No. 1 Owner, it agents and contractors shall have a right of access to and through Unit No. 2 to gain access to any Limited Common Elements assigned to Unit No. 1 and located within, or may only be reasonably accessed through Unit No. 2, subject to satisfaction of the Right of Access Conditions with regard to the affected Unit.

(e) Unit No. 2 Owner, it agents and contractors shall have a right of access to and through Unit No. 1 to gain access to any Limited Common Elements assigned to Unit No. 2 and located within, or may only be reasonably accessed through Unit No. 1, subject to satisfaction of the Right of Access Conditions with regard to the affected Unit.

(f) The right of access afforded to a Unit Owner under (b), (c), (d) and (e) above of this Section 4.1 does not grant to such Unit Owner a right to physically occupy any portion of the Unit of another Unit Owner, but is intended to afford a Unit Owner only a right of

passage to and from the portion of its Unit of the Limited Common Elements assigned to such Unit for which access may only be reasonably obtained through the Unit of another.

Section 4.2 Unit Owners Association's Right to Act under and Grant, Modify, Amend and Terminate Easements, Restrictions and Covenants.

(a) The Unit Owners Association shall have the exclusive right on behalf of all Unit Owners, subject to obtaining the Required Vote hereunder, (i) to grant, modify, amend and terminate, subject to and in accordance with the applicable provisions of the Bylaws and with the approval of each Mortgagee, (A) easements, restrictions, covenants and similar agreements affecting the Property, or any portion thereof, including, without limitation to those that may also affect or pertain to any other property in Square 2674 in the District of Columbia, to which the Unit Owner Association is a party and not any one or more of the Unit Owners individually, and (B) the Title Documents, except the LDA which may only be amended or modified in accordance with the terms thereof by the parties thereto, (ii) to cast all votes or take other actions under any of the agreements referred to in item (a) above of this Section on behalf of the Unit Owners that the Unit Owners Association reasonably believes are not inconsistent with the best interest of the Condominium and the Unit Owners collectively, subject as applicable to obtaining a Required Vote, and (iii) to apply for or voluntarily agree to accept, subject to and in accordance with the applicable provisions of the Bylaws, any governmental relief, benefit or burden under (A) the Zoning Regulations, and (B) the Construction Codes of the District of Columbia (Title 12, DCMR) as amended (collectively the "Governmental Requirements"), where such relief or benefit, if granted, would not reasonably be expected to impose obligations or burdens upon the Unit Owners Association with regard to the Common Elements that would be greater or more burdensome than were those imposed upon the Unit Owners Association as of the Effective Date.

(b) Where a proposed grant, modification, amendment, exercise of termination, application, or acceptance would reasonably be expected to materially and adversely deprive a Unit Owner of any benefit to the Common Elements it otherwise then enjoys, or would impose a materially greater financial burden upon a Unit Owner for Common Expenses than would have been the case in either circumstance if the grant, modification, amendment, termination, application or acceptance did not occur, then the consent of all Unit Owners and all Mortgagees shall be required. In no event shall the Unit Owners Association have the authority to act on behalf of any Unit Owner in altering, modifying, terminating or otherwise changing any easement, restriction, covenant or similar agreement as to any individual Unit that may arise under any Title Document (including, without limitation, the LDA) or the DC USA Deed.

(c) Where a proposed grant, modification, amendment, exercise of termination, application, or acceptance would not reasonably be expected to materially and adversely deprive any Unit Owner of any benefit to any Common Element that such Unit Owner otherwise then enjoys, or would not impose a greater financial burden upon any Unit Owner for Common Expenses than would have been the case if the grant, modification, amendment, termination, application, or acceptance did not occur, and the provisions of each of Section 3.2 (b) and Section 3.2 (c) of the Bylaws do not apply, then only a Standard Majority Vote shall be required to approve the proposed grant, modification, amendment, exercise or termination, application or acceptance.

(d) If a proposed grant, modification, amendment, exercise of termination, application, or acceptance would require the consent of all Unit Owners in support of the action (whether pursuant to this Section or pursuant to the provisions of Section 3.2 (c) of the Bylaws as applicable, and the Required Vote is not achieved, then if the President-Treasurer believes in his or her reasoned opinion, after consultation with all Unit Owners, that the failure to take the action will (i) materially and detrimentally harm the Land or the Building, or the interests of the Unit Owners as a whole under such agreements, (ii) result in the failure to obtain or maintain utilities necessary for the operation of the Condominium, or (iii) result in the non-compliance of the Condominium, the Land or the Building with any applicable law or governmental requirement, then the President-Treasurer, notwithstanding the inability of the Unit Owners Association to achieve the consent of all Unit Owners in support of such action, may act in his or her reasonable discretion, to execute such agreements, cast such votes or take such actions as he or she deems necessary to the extent necessary to protect the interests of the Condominium and all of its Units Owners, provided that the President-Treasurer shall have made a good faith effort to identify and implement the alternative that in his/her reasoned opinion would be expected to be the least burdensome upon the Unit Owners collectively, and shall have obtained the approval of all Mortgagees.

(e) Provided the President-Treasurer duly undertakes his/her duties and proceeds as provided for in Section 4.2(d) above, then the Unit Owners shall accept such decision of the President-Treasurer as a due action by the Unit Owners Association. No action may be taken by the Unit Owners Association or the President-Treasurer however that would (i) interfere in any material and significant manner with the conduct of business in a Unit, (ii) increase the cost of conducting business within a Unit, without the consent of the affected Unit Owner, (iii) cause a default under any financing instruments securing or documenting any Mortgage, (iv) violate any Title Document, (v) cause any Unit Owner to violate any covenant, restriction or condition that may have been imposed upon that Unit Owner or the Unit of that Unit Owner by and through, directly or indirectly, the DC USA Deed, or (vi) cause a default under the Bond Documents or adversely affect the exemption from taxation of interest on the Bonds.

Section 4.3 Service Facilities/Unit Facilities.

(a) Pipes, Ducts, Cables, Wires, Conduits, Public Utility Lines and other Utility Distribution Systems. Each Unit Owner shall have an easement, in common with the Unit Owners, of access and use, for the purposes of installation, maintenance, repair and replacement, of all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems (individually a "Service Facility" and collectively "Service Facilities"), whether or not the same are Common Elements, and whether or not located in any of the other Units or in any Common Elements of the Property, to the extent that (i) any such Service Facility serves the Unit or is assigned as an Limited Common Element thereto of that Unit Owner or is necessary for service delivery to the Unit of that Unit Owner, and (ii) the use of and access to the same by the Unit Owner would not be materially and adversely detrimental to the Common Elements or to another Unit.

(b) Unit Related Operating Equipment and Systems.

(i) Unit No.1 Owner shall have an easement of access and use to install, locate, maintain, repair and replace from time to time Unit Facilities serving Unit No. 1 in and on Unit No. 3, provided the same would not and does not (A) materially and adversely impact the structure of the Building and/or the physical improvements located in Unit No. 3 belonging to Unit No. 3 Owner (or its agents or contractors), (B) materially and adversely interfere with the use and normal business operations of the parking garage located within Unit No. 3, unless the same is required to comply with a government directive, provided Unit No. 1 Owner uses diligent efforts to minimize any impact on the operations of Unit No. 3, and (C) preclude Unit No. 3 from providing at least 1,000 legal parking spaces in Unit 3 or making available attendant assisted parking accommodations for an additional 244 vehicles as required by applicable governmental approvals in place as of the Effective Date. Unit No.1 Owner shall also have the right in an emergency to have access and take such actions as might on a temporary basis be deemed to have a material or adverse impact on the improvements in Unit No. 3 or in the operations within Unit No. 3 in order to stabilize and address the identified emergency condition, provided Unit No. 1 Owner uses diligent efforts to minimize an impact on the improvements or operations of Unit No. 3. Penetration of any slab to locate pipes, chases, conduits and ductwork in the ordinary course may not be deemed work that materially and adversely impacts the structure of the Building, provided the same is done in accordance with applicable codes of the District of Columbia.

(ii) Unit No. 2 Owner shall have an easement of access and use in and on Unit No. 3 to install, locate, maintain, repair and replace from time to time Unit Facilities serving Unit No. 2 and any Limited Common Element assigned thereto located in and on Unit No. 3, provided the same would not and does not (A) materially and adversely impact the structure of the Building and/or the physical improvements located in Unit No. 3 belonging to Unit No. 3 Owner (or its agents or contractors), (B) materially and adversely interfere with the use and normal business operations of the parking garage located within Unit No. 3, unless the same is required to comply with a government directive, provided Unit No. 1 Owner uses diligent efforts to minimize any impact on the operations of Unit No. 3, and (C) preclude Unit No. 3 from providing at least 1,000 legal parking spaces in Unit 3 or making available attendant assisted parking accommodations for an additional 244 vehicles as required by applicable governmental approvals in place as of the Effective Date. Unit No. 2 Owner shall also have the right in an emergency to have access and take such actions as might on a temporary basis be deemed to have a material or adverse impact on the improvements in Unit No. 3 or in the operations within Unit No. 3 in order to stabilize and address the identified emergency condition, provided Unit No. 2 Owner uses diligent efforts to minimize an impact on the improvements or operations of Unit No. 3. Penetration of any slab bounding or located within Unit No. 3 to locate pipes, chases, conduits and ductwork in the ordinary course may not be deemed work that materially and adversely impacts the structure of the Building, provided the same is done in accordance with applicable codes of the District of Columbia.

(iii) Unit No. 1 Owner shall have an easement of access and use in and on Unit No. 2 to install, locate, maintain, repair and replace from time to time Unit Facilities serving Unit No. 1 and any Limited Common Element assigned thereto located in and on Unit No. 2, provided, except in an emergency or where required to comply with a government

directive, the same would not and does not materially and adversely (A) impact the structure of the Building and/or the physical improvements located in Unit No. 2 belonging to Unit No. 2 Owner (or its agents or contractors), or (B) interfere with the use and normal business operations of the commercial or retail business located within Unit No. 2. Penetration of any slab to locate pipes, chases, conduits and ductwork in the ordinary course may not be deemed work that materially and adversely impacts the structure of the Building, provided the same is done in accordance with applicable codes of the District of Columbia.

(iv) Unit No. 2 Owner shall have an easement of access and use in and on Unit No. 1 to install, locate, maintain, repair and replace from time to time Unit Facilities serving Unit No. 2 and any Limited Common Elements assigned thereto located in and on Unit No. 1, except in an emergency or where required to comply with a government directive, provided the same does not materially and adversely (A) impact the structure of the Building and/or the physical improvements located in Unit No. 1 belonging to Unit No.1 Owner (or it tenants, agents, contractors or licensees), or (B) interfere with the use and normal business operations of the commercial or retail business located within Unit No 1. Penetration of any slab to locate pipes, chases, conduits and ductwork in the ordinary course may not be deemed work that materially and adversely impacts the structure of the Building, provided the same is done in accordance with applicable codes of the District of Columbia.

(v) Unit No. 3 Owner shall have an easement of access and use in and on Unit No. 1 to install, locate, maintain, repair and replace from time to time Unit Facilities serving Unit No. 3, any Limited Common Elements assigned thereto and any easements granted for areas located in and on Unit No. 1, except in an emergency or where required to comply with a government directive, provided the same does not materially and adversely (A) impact the structure of the Building and/or the physical improvements located in Unit No. 1 belonging to Unit No. 1 Owner (or it tenants, agents, contractors or licensees), or (B) interfere with the use and normal business operations of the commercial or retail business located within Unit No 1. Penetration of any slab to locate pipes, chases, conduits and ductwork in the ordinary course may not be deemed work that materially and adversely impacts the structure of the Building, provided the same is done in accordance with applicable codes of the District of Columbia.

(vi) Unit No. 3 Owner shall have an easement of access and use in and on Unit No. 2 to install, locate, maintain, repair and replace from time to time Unit Facilities serving Unit No. 3, any Limited Common Elements assigned thereto and any easements granted for areas located in and on Unit No. 2, except in an emergency or where required to comply with a government directive, provided the same does not materially and adversely (A) impact the structure of the Building and/or the physical improvements located in Unit No. 2 belonging to Unit No. 2 Owner (or it tenants, agents, contractors or licensees), or (B) interfere with the use and normal business operations of the commercial or retail business located within Unit No 2. Penetration of any slab to locate pipes, chases, conduits and ductwork in the ordinary course may not be deemed work that materially and adversely impacts the structure of the Building, provided the same is done in accordance with applicable codes of the District of Columbia.

(vii) Unit No. 3 Owner shall also have an easement of access to and use of a portion of the General Common Element elevator lobby on each of Levels P-2 and P-1, to install, locate, maintain, repair and replace from time to time "pay on foot" equipment to permit

patrons to pre-pay parking fees for use of the parking facility located in Unit No. 3, but only at the easement area locations specifically depicted on the Plans, or as may otherwise approved by the Unit Owners Association by Required Vote, and then only in manner that would not and does not materially and adversely impact (A) the structure of the General Common Elements, the Limited Common Elements assigned to another Unit Owner, or any improvements in any easement areas assigned by this Declaration, and (B) interfere with and adversely impact the use and normal business operations of the commercial or retail business located within either Unit No. 1 or Unit No. 2.

(viii) Unit No. 3 Owner shall also have an easement of access to and use of the roof to the Building, which roof is a General Common Element, to install, locate, maintain, repair and replace from time to time Unit Facilities serving Unit No. 3 but only at those easement area locations specifically depicted on the Plans, in manner that would not and does not materially and adversely impact (A) the structure of the General Common Elements, the Limited Common Elements assigned to another Unit Owner, or any improvements in any easement areas assigned by this Declaration, (B) any improvements located in either Unit No. 1 or Unit No. 2, and (C) interfere with and adversely impact the use and normal business operations of the commercial or retail business located within either Unit No. 1 or Unit No. 2.

(ix) Subject to the provisions of Section 4.3 (b)(x) below with regard to the right to use any portion of the roof of the Building located directly above Unit No. 2, Unit No. 1 Owner shall have an easement of access to and use of the roof to the Building, which roof is a General Common Element, to install, locate, maintain, repair and replace from time to time Unit Facilities serving Unit No. 1 and any Limited Common Element assigned thereto, in a manner that would not and does not materially and adversely (A) impact the structure of the General Common Elements, the Limited Common Elements assigned to another Unit Owner, or any improvements in easement areas specifically designated on the Plans, (B) impact the physical improvements located in Unit No. 2 belonging to Unit No. 2 Owner (or its agents or contractors), or (C) interfere with and adversely impact the use and normal business operations of the commercial or retail business located within Unit No. 2.

(x) Unit No. 2 Owner shall have an easement of access to and use of the portion of the roof to the Building located above Unit No. 2, which roof is a General Common Element, to install, locate, maintain, repair and replace from time to time Unit Facilities serving Unit No. 2 and any Limited Common Element assigned thereto, provided in a manner that would not and does not materially and adversely (A) impact the structure of the General Common Elements, the Limited Common Elements assigned to another Unit Owner, or any improvements in easement areas specifically designated on the Plans, (B) impact the physical improvements located in Unit No. 1 belonging to Unit No. 1 Owner (or its agents or contractors), or (C) interfere with and adversely impact the use and normal business operations of the commercial or retail business located within Unit No. 1. Where there is a conflict in the exercise of rights afforded Unit No. 1 Owner under Section 4.3 (b) (ix) above with regard to the use of the roof of the Building above Unit No. 2 and the exercise of right afforded Unit No. 2 Owner under this Section 4.3 (b) (x) then the rights of Unit No. 2 Owner under this Section 4.3 (b) (x) shall have priority, provided that if in the exercise of its rights to place its Unit Facilities on the portion of the roof of the Building above Unit No. 2, Unit No. 2 Owner requires the removal or relocation of Unit Facilities of Unit No. 1 Owner or of its agents or tenants, then Unit

No. 2 Owner shall provide written notice to the Managing Agent of Unit No. 2 Owner's desire to exercise its rights with regard to placement of its Unit Facilities, and shall afford Unit No. 1 Owner a period of not less than thirty (30) days to relocate any of its Unit Facilities that conflict with Unit Facilities of Unit No. 2 Owner to a portion of that roof the Building above Unit No. 2 that would not be reasonably expected to interfere with the Unit Facilities of Unit No. 2 Owner. Any relocation of Unit Facilities shall be at the sole cost and expense of Unit No. 1 Owner.

(c) Notwithstanding any provision to the contrary in this Section 4.3, except in an emergency or where required to satisfy a government directive, the right of access to each of Unit No. 1 and to Unit No. 2 by the Unit Owners Association or by any Unit Owner, or by any agent, contractor or representative of that other Unit Owner, with regard to matters covered by this Section 4.3, shall be further conditioned and restricted by the following (the "Facilities Access Conditions"):

(i) As to Unit Facilities and Service Facilities, the repair, replacement, or relocation of existing Unit Facilities and Service Facilities and the installation of new Service Facilities within either Unit No. 1 or Unit No. 2, and the Limited Common Elements in either case assigned thereto, may be undertaken by the Unit Owners Association or by another Unit Owner only in those instances in which no practical alternative exists that is commercially reasonable;

(ii) As to Unit Facilities and Service Facilities, the repair, replacement, or relocation of existing Unit Facilities and Service Facilities and the installation of new Service Facilities within either of Unit No. 1 or Unit No. 2, and the Limited Common Elements in either case assigned thereto, may be undertaken by the Unit Owners Association or any other Unit Owner only subject to the reasonable direction of Unit No. 1 Owner or Unit No. 2 Owner, as applicable, as to the site of any re-location or new location and the configuration of such installation.

(iii) As to Unit Facilities and Service Facilities, the repair, replacement, or relocation of existing Unit Facilities and Service Facilities and the installation of new Service Facilities within either of Unit No. 1 or Unit No. 2, and the Limited Common Elements in either case assigned thereto, may only be undertaken by the Unit Owners Association or any other Unit Owner in the affected portion of the Unit or Limited Common Element in question when the tenant or occupant of that portion of the Unit or Limited Common Element is open for business.

(iv) The Unit Owners Association or a Unit Owner seeking to repair, replace, or relocate existing Unit Facilities or Service Facilities, as applicable, or to install new Service Facilities shall reimburse the affected Unit Owner (or its tenant or occupant of the affected portion of the Unit in question) for the reasonable costs of providing security reasonably necessitated by those repair, replacement, relocation or installation, as reasonably and prudently determined by the affected Unit Owner.

(v) Any relocation of existing Service Facilities or installation of new Service Facilities within Unit No. 1, and any Limited Common Elements assigned thereto, and within Unit No. 2, and any Limited Common Elements assigned thereto, may only be installed above any drop ceiling within the affected portion of the Unit in question, or if no drop ceiling is

installed then above the level of any lighting fixtures installed in the affected portion of the Unit in question, nor where there is no drop ceiling may any relocation or installation of Service Facilities interfere with any graphics or stacking space whether located or installed above or below the level at which lighting fixtures have been set.

(vi) Any relocation of existing Unit Facilities or Service Facilities or installation of new Service Facilities may not adversely affect the use or operation of an affected Unit, the assigned Limited Common Elements, or the impacted portion thereof in either case, or in any manner reduce the useable area below the level of any lighting fixtures installed in a Unit, the assigned Limited Common Elements, or the impacted portion thereof.

(vii) No relocation of existing Unit Facilities and Service Facilities or installation of new Service Facilities may require an affected Unit Owner (or any tenant or occupant thereof) to make changes in the manner or nature of the use and normal business operations of its Unit or in the use or operation of any constituent part thereof as reasonably determined by the affected Unit Owner.

(viii) Except in an emergency or where satisfaction of a legal order is required, no repair, replacement of existing Unit Facilities and Service Facilities, or relocation of existing Service Facilities, or installation of new Service Facilities shall occur (A) during the business hours of the Unit or of any tenant or occupant of any portion of the Unit to be impacted, (B) during the calendar months of August, November and December and such other months (or portions thereof) that are recognized and accepted from time to time as prime retail shopping periods in the retail market place in Washington, D.C., and (C) without the first giving of no less than forty eight (48) hours prior notice in writing to the impacted Unit Owner.

(d) The Unit Owners Association or a Unit Owner seeking to repair, replace, relocate or install Unit Facilities or Service Facilities, as applicable, shall paint or otherwise finish the repair, replacement, relocation or installation so as to be compatible with the then existing design criteria in place of the affected Unit Owner or its tenant or occupant.

(e) Before a Unit Owner may exercise any rights afforded to in by this Section 4.3, it shall review the plans related to such repair, replacement and relocation of Unit Facilities and Service Facilities with the Unit Owner whose Unit will be affected, and with the Unit Owners Association or its designee. The Unit Owner shall give due consideration to comments received from the affected Unit Owner(s) and from the Unit Owners Association concerning the proposed plans and shall use its best efforts to find reasonable accommodation of the concerns expressed in the location, installation and subsequent operation and use of the equipment, facilities and supporting equipment located within a Unit or the Common Elements. The Unit Owner in the exercise of such right shall use commercially reasonable efforts to minimize disruption of the use of other Units and the Common Elements by the applicable Unit Owner(s) thereof, during the installation and then subsequent use and operation. Each Unit Owner exercising this right agrees to indemnify and hold harmless the affected Unit Owner and the Unit Owners Association against all damages, liability, claims and expenses, including reasonable attorneys fees and litigation costs, incurred by the affected Unit Owner, the Unit Owners Association or both as a direct result of the exercise of the rights afforded to it by this Section 4.3.

(i) Subject to obtaining the prior approval from the Unit Owners Association in accordance with Section 5.6(d) or Section 5.7(b) of the Bylaws, as applicable, if and when required, and in accordance with this Section 4.3, each Unit Owner may, in connection with the performance of alterations or additions within its Unit and assigned Limited Common Elements, connect any electrical, mechanical, plumbing, telephone, telecommunications, fire/security alarm and other systems to the General Common Element building systems of the Building through such Service Facilities.

(ii) The Unit Owners Association shall have an easement for access to and to use all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems located within the boundaries of a Unit and assigned Limited Common Elements thereto to the extent any such pipe, duct, cable, wire, conduit, public utility line or other utility distribution system serves the Common Elements or is necessary for service to the Common Elements and such use does not unreasonably burden the affected Unit. Before the Unit Owners Association may exercise this right, it shall review the same with the affected Unit Owner and cooperate with the affected Unit Owner to reduce any impact of such access on the affected Unit Owner.

(f) Each Unit Owner shall indemnify and hold harmless, to the fullest extent permitted by applicable law, the Unit Owners Association as to Common Elements and each Unit Owner through whose Unit or Limited Common Elements, in each case as to its right of access and use granted in this Section with regard to any claims, damages or losses suffered as a result of or arising from the Unit Owner's access and use of the various areas of the Building subject to easement for the benefit of that Unit Owner.

Section 4.4 Support. Every portion of a Unit, which contributes to the structural support of the Building, a Unit or the Common Elements, shall be burdened with an easement of lateral and subjacent structural support and necessity for the benefit of all other Units and the Common Elements.

Section 4.5 Utilities. The Unit Owners Association reserves the right on behalf of the Unit Owners to grant with respect to the Condominium public and private utility easements and to lay water, sanitary and storm sewer, electricity, telephone and cable television lines through, on, over or under any portion of the Building and the Land, which right shall be exercised by the Unit Owners Association in compliance with the provisions of Section 4.2. Before the Unit Owners Association may exercise this right, it shall review the same with the affected Unit Owner and cooperate with the affected Unit Owner to reduce any impact of such access on the affected Unit in accordance with the Facilities Access Conditions.

Section 4.6 Encroachments. In the event and to the extent that any portion of any Unit or Common Elements, as actually constructed, encroaches, as of the Effective Date of this Declaration, upon any other Unit or any Common Elements, a perpetual easement shall exist for the use, maintenance, repair and replacement of such encroachment by the Unit Owner of the encroaching Unit (or by the Unit Owners Association in the case of any encroaching Common Elements).

Section 4.7 Antenna and Satellite Dish Easement.

(a) An irrevocable easement is hereby granted to Unit No. 3 Owner to permit Unit No. 3 to install and locate on the roof of the Building not more than two (2) satellite dishes or antennae and ancillary equipment, cabling and wiring thereto and therefor ("Antenna Equipment") related to the operation of the parking facilities located in Unit No. 3 for purposes accessory to the operation of Unit No. 3 as a public, off street parking facility, and not for other commercial purposes. The location on the roof of the Building shall be as reasonably determined and designated by the Unit Owners Association from time to time, provided that the consent of Unit No. 1 Owner shall also be required where the designated location would be on the portion of the roof of the Building located within the boundaries of Unit No. 1, and the consent of Unit No. 2 Owner shall also be required where the designated location would be on the portion of the roof of the Building located above Unit No. 2. The easement granted shall include an easement for access to maintain, repair, replace and remove such Antenna Equipment (including the right to run such cabling, wiring or ancillary equipment in and through Unit No. 1 or Unit No. 2, as applicable, as reasonably may be required to operate the applicable satellite dishes or antennae); provided that (i) Unit No. 3 Owner shall pay any and all costs in connection with the installation, maintenance, repair, replacement and removal of any Antenna Equipment, whether arising directly, as a Special Expense to the Unit Owners Association or an reimbursement to the Unit Owner through whose Unit access to the designated portion of the roof of the Building is required, including for the cost and expenses of repairing any damage caused to the roof of the Building and to the affected Unit, and (ii) the installation, operation and maintenance of any Antenna Equipment by Unit No. 3 Owner shall be in accordance with the applicable provisions of the Zoning Regulations and other applicable codes, regulations and ordinances. Should the Unit Owners Association by Standard Majority Vote desire to relocate the Antenna Equipment appurtenant to Unit No. 3, and the equipment related thereto, then it may require Unit No. 3 Owner to do so, so long as it is at no cost to Unit No. 3 Owner, shall be without material interruption or diminution (i.e., no interference) of service to Unit No. 3, and shall provide a comparable location for such equipment on the roof of the Building.

(b) Subject to the provisions of Section 4.7 (c) below where Unit No. 1 proposes to locate Antenna Equipment related to Unit No. 1 on the portion of the roof above Unit No. 2, an irrevocable easement is hereby granted to Unit No.1 Owner and the tenants and other occupants of said Unit to install, maintain, repair, replace and remove Antenna Equipment related to Unit No. 1 on the roof of the Building; provided that (i) Unit No.1 Owner shall pay any and all costs in connection with the installation, maintenance, repair, replacement and removal any of its Antennae Equipment, whether arising directly, as a Special Expense to the Unit Owners Association, including for the cost and expenses of any repair any damage caused to the roof of the Building, (ii) the installation, operation and maintenance of any such equipment by Unit No.1 Owner shall be in accordance with the applicable provisions of the Zoning Regulations and other applicable codes, regulations and ordinances, and any rules and regulations of the Unit Owners Association regarding the manner of installation, the appropriateness of siting and maintenance and repair standards for such equipment, and (iii) the installation does not interfere with the location of any Antenna Equipment of Unit No. 2 Owner located on the portion of the roof of the Building above Unit No. 2 as provided for in Section 4.7(c) of this Declaration.

(c) An irrevocable easement is hereby granted to the Unit No. 2 Owner and the tenants and other occupants of said Unit to install, maintain, repair, replace and remove Antenna Equipment related to Unit No. 2 on the portion of the roof of the Building located above Unit No. 2; provided that (i) Unit No. 2 Owner shall pay any and all costs in connection with the installation, maintenance, repair, replacement and removal any satellite dish or antenna and related equipment, whether arising directly, as a Special Expense to the Unit Owners Association, including for the cost and expenses of any repair any damage caused to the roof of the Building, and (ii) the installation, operation and maintenance of any such equipment by Unit No. 2 Owner shall be in accordance with the applicable provisions of the Zoning Regulations and other applicable codes, regulations and ordinances, and any rules and regulations of the Unit Owners Association regarding the manner of installation, the appropriateness of siting and maintenance and repair standards for such equipment. Where a conflict arises between the siting or the operation of Antenna Equipment installed on the portion of the roof of the Building above Unit No. 2 by Unit No. 2 in conjunction with its use of Unit No. 2 and the siting or operation of any Antenna Equipment on same portion of the roof by Unit No. 1 (or any tenants thereof) in conjunction with the use of Unit No. 1, then priority and preference shall be given to the Antenna Equipment related to Unit No. 2, subject to the following: (i) Unit No. 2 Owner shall provide written notice to the Managing Agent of Unit No. 2 Owner's desire to exercise its rights with regard to placement of its Antennae Equipment, (ii) Unit No. 1 Owner shall be afforded a period of not less than thirty (30) days to relocate any of Antenna Equipment related to Unit No. 1 that conflicts with the Antennae Equipment of Unit No. 2 Owner move its Antenna Equipment to a portion of that roof the Building that would not be reasonably expected to interfere with the Antenna Equipment of Unit No. 1 Owner. Any relocation of Antenna Equipment shall be at the sole cost and expense of Unit No. 1 Owner.

(d) Each Unit Owner shall indemnify and hold harmless the Unit Owners Association as to Common Elements and each Unit Owner through whose Unit or Limited Common Elements, in each case as to its right of access and use granted in this Section with regard to any claims, damages or losses suffered as a result of or arising from the Unit Owner's access and use of the various areas of the roof of the Building to which it has easement rights.

Section 4.8 Shopping Cart Corrals. Each of Unit No.1 Owner and Unit No. 2 Owner shall have easements to those portions of Unit No. 3 to establish shopping cart corrals, and install equipment related thereto, serving the needs of the customers of the retail operations being conducted in Unit No. 1 and Unit No. 2 as applicable, provided that (a) Unit No. 3 will continue to have no less than one thousand (1,000) legal parking spaces and access thereto satisfying the requirements of the Zoning Regulations, and (b) Unit No. 3 Owner will continue to have the ability to provide within Unit No. 3 accommodations for attendant assisted parking for two hundred forty four (244) additional vehicles as required by the provisions of the BZA Order. The location and operation of each shopping cart corral from time to time shall be determined after consultation by each Unit Owner with Unit No. 3 Owner in accordance with the applicable provisions of the Declaration of Parking Operations. As otherwise provided for in the Declaration of Parking Operations, each of Unit Owner No. 1 and Unit Owner No. 2 shall be solely responsible for the installation, operation, maintenance, repair and removal of any equipment related to a shopping cart corral established for its benefit and shall be undertaken by that Unit Owner in manner to ensure that no shopping cart corral will unreasonably or materially interfere with the operation of the parking garage within Unit No. 3. All costs and expenses of

operation of a shopping cart corral shall be borne by the benefited Unit Owner, and Unit Owner No. 3 shall have no liability for any costs and expenses related thereto. Each of Unit Owner No. 1 and Unit Owner No. 2 shall indemnify and hold harmless Unit Owner No. 3 and the Unit Owners Association with regard to any claims, damages or losses suffered with regard to the shopping cart corrals, except in those instances where the same may have been caused by the gross negligence or willful misconduct of the Unit No. 3 Owner, its employees, agents, mortgagee and representatives of any of them, including but not limited to the operator of the parking facility within Unit No. 3.

Section 4.9 Units Subject to the Condominium Instruments. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of the Condominium Instruments, as well as the Rules and Regulations, as any of the same may be amended from time to time in accordance with this Declaration or as applicable under the Bylaws. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Unit or portion thereof shall constitute an agreement that the provisions of Condominium Instruments, as well as the Rules and Regulations, as they may be duly amended from time to time, are accepted and ratified by such Unit Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be enforceable equitable servitudes and covenants running with the land and shall bind any person at any time having any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every such deed of conveyance or lease.

Section 4.10 Public Space Covenants. Other than as to Title Documents, where Unit No. 1 Owner (or any party deriving its interest in that Unit or part thereof, including by lease or license) seeks and obtains an entitlement to use any public space, being space located in any of the public rights of way abutting the Building, then Unit No. 1 Owner and not the Unit Owners Association shall be responsible for compliance with the provisions of the applicable public space covenant entered into in conjunction with obtaining that entitlement. Unit No. 1 Owner shall however apprise the Unit Owners Association of such Unit Owner's application for rights to use public space, and the Unit Owners Association agrees to fully cooperate with Unit No. 1 Owner in the Unit Owner's application to the relevant government authorities for permission to use public space, including executing any consents or authorizations that may be required of the Unit Owners Association, provide the same does not cause the Unit Owners Association to incur any additional costs or expenses. Any use of public space by Unit No. 1 Owner (or any party deriving its interest in that Unit or part thereof, including by lease or license) shall be at the sole expense of Unit No. 1 Owner; to the extent any cost or expense is incurred by the Unit Owners Association the same shall become a Special Expense chargeable to the Unit Owner.

Section 4.11 Assumption of Rights and Obligations under Title Documents. The Unit Owners Association on behalf of each Unit Owner shall be deemed the successor and assignee of the Declarant as to any rights and obligations of the Declarant arising under any of the Title Documents as the same relate to the Property and the operation of the Condominium generally. Notwithstanding the foregoing, in no event shall the Unit Owners Association be deemed to be the successor to the Declarant under the LDA and the Mortgagee Agreement, which LDA and the Mortgagee Agreement remain a private contract between the parties thereto, and thus the Unit Owners Association shall have no liability or responsibility with regard to performance thereunder and the Declarant shall hold the Unit Owners Association harmless for any liability

that may arise thereunder. To the extent that satisfaction of any obligation of the LDA and the Mortgagee Agreement involves the modification of the physical structure of the Building or any of the Common Elements, then, provided that approval has been first obtained in accordance with the provisions of the LDA and/or the Mortgagee Agreement for the undertaking of such modification, only approval by a Standard Majority Vote of the Unit Owners Association shall be required before such modification may be undertaken.

Section 4.12 Rights Related to Placement, Installation, Maintenance and Repair of Signage and Other Identification Monuments.

(a) In Common Elements.

(i) Except for such signs, awnings, pylons and other identification monuments as may be erected, placed, posted, installed or displayed by the Unit Owners Association in Common Elements (A) to comply with applicable governmental requirements, (B) to provide appropriate and customary directional and identification signage for service areas and facilities of the General Common Elements (including but not limited to a building directory, parking garage signage, etc.) of a quality customarily found in and on a high quality retail/commercial project and (C) seasonal displays of a quality customarily found in and on a high quality retail/commercial project, no identification monuments, such as but not limited to advertising and naming signs of any kind, banners, awnings and pylons, (collectively "Identification Monuments") shall be erected, placed, posted, installed or displayed in and on the General Common Element areas without the prior written approval of the Unit Owners Association as provided in subsection (d) below of this Section 4.12.

(ii) A Unit Owner may erect, place, post, install and display Identification Monuments in and on Limited Common Elements areas appurtenant to its Unit, subject to review with the Unit Owners Association regarding manner of affixing, maintenance and repair, as well as compliance with applicable Rules and Regulations.

(b) Within or Related to Unit No. 3. The Unit No. 3 Owner shall be required to post and thereafter maintain, at such Owner's sole cost and expense, clear and user-friendly Identification Monuments within Unit No. 3 in conjunction with its parking facilities operation to ensure that patrons of the parking garage located within Unit No. 3 are properly guided to (i) pedestrian exits, staircases, elevators and escalators, (ii) vehicular exits to and from the parking facilities, and (iii) specific retail uses situated in Unit No. 1 and Unit No. 2, subject to review and approval pursuant to and in accordance with the Declaration of Parking Operations.

(c) Within or Related to Unit No. 1 and Unit No. 2. Each of Unit No. 1 Owner and Unit No. 2 Owner shall be required to post and thereafter maintain, at its sole cost and expense, clear and user-friendly Identification Monuments within its Unit to ensure that patrons of such Units can be properly guided to the Atrium Lobby, pedestrian exits, staircases, elevators and escalators.

(d) Approval by the Unit Owners Association.

(i) Any Identification Monument or modification thereof proposed to be erected, placed, posted, displayed, posted or installed by a Unit Owner for its own benefit, or on behalf of or for the benefit of any tenant or occupant of a Unit in and on the General Common Elements, as well as the lighting thereof, shall be subject to the review and approval of the Unit Owners Association, by Special Majority Vote, as to the design, size, location and manner of attachment as well as for the specifications for the maintenance and upkeep subsequent to installation by the Unit Owner (or its designee), subject to the following provisions.

(ii) The power to act on behalf of the Unit Owners Association to approve Identification Monuments and related matters in and on the General Common Elements proposed to be installed or modified by a Unit Owner may be delegated to the Managing Agent upon a Special Majority Vote. The Managing Agent shall thereafter have the authority to approve any proposed Identification Monument including design, size, location, specifications for installation and manner of attachment, as well as the specifications for maintenance and upkeep, after consultation with the President-Treasurer. The Unit Owners Association acting directly, or through the Managing Agent shall have no more than ten (10) days following the receipt of a written request from a Unit Owner to grant approval, or to withhold the grant of approval (with comment), to any request for approval of an Identification Monument. Failure of the Unit Owners Association, acting directly, or through the Managing Agent, to respond to a request for approval of an Identification Monument by a Unit Owner within such ten (10) day period shall be deemed the approval of the Unit Owners Association of such proposed Identification Monument.

(iii) If approval of a proposed Identification Monument in and on Common Elements is denied, then the Unit Owner may propose an alternate design or specifications to respond to the objections giving rise to the disapproval.

(iv) Notwithstanding anything herein to the contrary, any Identification Monument proposed to be attached to on the exterior of the Building that could reasonably be expected by the Unit Owners Association or President-Treasurer to affect the sight lines for the ingress from or egress to Unit No. 3 from an adjacent public right of way must be approved in advance by the Unit No. 3 Owner.

(e) License for Installation. Where permission is granted for the installation of an Identification Monument on or within General Common Elements, the Unit Owner receiving such permission shall be deemed to have received a license from the Unit Owners Association to attach, maintain and repair the same. Any replacement of any previously approved Identification Monument on or within General Common Elements must be reviewed with the Unit Owners Association. Each Unit Owner, by accepting a license from the Unit Owners Association related to attachment of an Identification Monument, agrees to indemnify and hold harmless the Unit Owners Association with regard to any claims, damages or losses suffered.

(f) Pre-approved Identification Monuments. Any Identification Monument installed and attached on or to any Common Elements as part of the initial construction of the

Condominium shall be deemed approved by the Unit Owners Association, and the Unit Owner benefited by such sign shall have the right to repair, replace and maintain such Identification Monument without the consent of the Unit Owners Association.

(g) Assignment of Responsibility of Identification Monuments. Any Identification Monument installed by a Unit Owner in and on the Common Elements on behalf of itself or its tenants or occupants of its Unit shall be undertaken at the sole cost and expense of that Unit Owner. Additionally any Unit Owner benefited by an Identification Monument in the Common Elements shall be responsible at its sole cost and expense for the operation, maintenance, repair, replacement or removal. To the extent the Unit Owners Association incurs any costs or expenses related to any Identification Monument installed by a Unit Owner, whether as to the initial installation, or any subsequent operation, maintenance, repair, replacement or removal of the same, then any costs and expenses incurred shall be deemed a Special Expense of the Unit Owner.

(h) Benefit and Burden. Any Unit Owner (or tenant/occupant thereof) that erects, places, posts, installs or displays an Identification Monument in, on or within the Common Elements, as permitted by and approved in accordance with the provisions of this Section 4.12, shall be solely entitled to the benefits attributable to that Identification Monument, but shall be similarly liable to the Unit Owners Association or another Unit Owner, as applicable, for the burdens arising from the installation, manner of attachment, maintenance, repair and operation of any Identification Monument, all at no expense to the Unit Owners Association or the other Unit Owner, including but not limited compliance with Unit Owner Association conditions related to installation, maintenance and repair. Any failure of a Unit Owner to satisfy its obligations which in any way causes the Unit Owners Association to incur expenses shall permit the Unit Owners Association to assess against such Unit Owner such reasonable and actual expenses as Special Expenses of that Unit Owner; provided, however, that the Unit Owners Association shall not have the right to cure the default of an Owner under this Section 4.12 unless and until the Unit Owner shall have been provided with no less than ten (10) business days to cure and/or correct its default after receipt of written notice to do so from the Unit Owners Association.

Section 4.13 Compliance with Laws.

(a) Each Unit Owner agrees to promptly and fully comply at its sole cost and expense with all applicable laws, regulations and ordinances related to the use and occupancy of its Unit and agrees that it shall take no action or fail to take any action that would cause the Condominium or any other Unit therein to be cited for infraction of any law, ordinance or regulation related to the use or occupancy of its Unit, including any laws, regulations and ordinances applicable to the use, storage and disposal of hazardous materials and substances. Each Unit Owner agrees to indemnify and hold harmless the Unit Owners Association and the other Unit Owners for any matters of noncompliance by the Unit Owner, including but not limited to damages arising therefrom and reasonable attorneys' fees. Furthermore, any failure of a Unit Owner to satisfy its obligations which in any way causes the Unit Owners Association to incur expenses shall permit the Unit Owners Association to assess against such Unit Owner such reasonable and actual expenses of cure or correction as Special Expenses of that Unit Owner, provided that such Unit Owner shall have been given no less than ten (10) business days to cure

and/or correct its default after receipt of written notice to do so from the Unit Owners Association.

(b) So long as the District of Columbia or an affiliated governmental entity is subject to the provisions of Section 446 of the District of Columbia Home Rule Act and the federal Anti-deficiency Act (the "Anti-deficiency Act"), then Declarant, Unit No. 1 Owner, the Unit No. 2 Owner and the Unit Owners Association each hereby acknowledge that the obligations of the District of Columbia or its affiliated governmental entity as Unit No. 3 Owner to fulfill financial obligations of any kind pursuant to this Declaration, including indemnification, if any, may be subject to the provisions of the Anti-deficiency Act, regardless of whether a particular obligation was expressly so conditioned. The District of Columbia, on behalf of itself and such other government entity, agrees that, as Unit Owner 3, it will, in good faith, use its best efforts to obtain and exercise all lawful and available authority to satisfy any of its financial obligations that may arise under this Declaration, including, without limitation, attempting to obtain the necessary appropriations and/or the reprogramming of available funds if such reprogramming is legal and necessary to satisfy its financial obligations; however, the obligations of the District of Columbia or such entity as Unit No. 3 Owner under this Declaration are subject to the receipt of specific authority from Congress, with no implication that Congress will give such authorization. Notwithstanding the foregoing, (i) the obligations of the District of Columbia or such other government entity as Unit No. 3 Owner that may arise under this Declaration shall not constitute an indebtedness within the meaning of any constitution or statutory debt limitation or restriction and do not constitute an obligation for which the District of Columbia or such entity, as Unit No. 3 Owner, is obligated to levy or pledge any form of taxation or for which it has levied or pledged any form of taxation, and (ii) at such time as the District of Columbia or such other governmental entity seeks to convey legal title of Unit No.3 for consideration to any party, then the amount on any assessment of any kind due and owing to the Unit Owners Association by the District of Columbia or such other entity as the Unit No. 3 Owner that is then due and unpaid shall be paid in full to the Unit Owners Association at or prior to the time that legal title to Unit No. 3 is to be conveyed, whether the funds for payment come from the proceeds of the sale of Unit No. 3, from appropriated funds or from other funds available to the District of Columbia or such other government entity.

Section 4.14 Bond Documents. Bonds will be used to finance the costs of the development and construction of Unit No. 3 and the parking garage facility located therein. Each of the Declarant, Unit No.1 Owner, Unit No. 2 Owner and the Unit Owners Association agrees that it may take no action or fail to take any action that would (a) cause the loss of tax exemption status on the Bonds or (b) prevent Unit No. 3 Owner from complying with the material terms of the Bond Documents. Unit No. 3 Owner shall supply to each of the Declarant, the other Unit Owners and the Unit Owners Association a copy of the Bond Documents.

ARTICLE V
AMENDMENT TO CONDOMINIUM INSTRUMENTS;
TERMINATION OF CONDOMINIUM;
REQUIRED CONSENT

Section 5.1 Amendment to Condominium Instruments. Except as permitted by and provided for in Section 2.6 of this Declaration, this Declaration and the other Condominium Instruments may not be amended except with the written consent of all Unit Owners in favor of such amendment, and then only provided that thereafter such amendment is approved in writing by each of the Mortgagees if and to the extent that the provisions of the applicable Mortgage or the Bond Documents require such consent.

Section 5.2 Termination of Condominium Regime. The regime of the Condominium may be terminated pursuant to Section 42-1902.28 of the Condominium Act only with the written consent of all Unit Owners and the written consent of all Mortgagees.

ARTICLE VI
RIGHT TO LEASE OR SELL UNITS

Section 6.1 Right to Lease.

(a) Each of Unit No. 1 Owner and Unit No. 2 Owner shall have the right to enter into leases with any person or entity for the leasing and occupancy of the Unit or a portion thereof owned by that Unit Owner for the Permitted Uses, subject to any provisions of any of (i) the Title Documents, (ii) the DC USA Deed, (iii) the applicable laws and regulations including the Zoning Regulations, and (iv) the Rules and Regulations that are applicable to that Unit.

(b) Unit No. 3 Owner may not lease or license all or any portion of Unit No. 3 to any Person, except in accordance with and pursuant to the Declaration of Parking Operations, and then only for the Permitted Use specified in Section 1.4 (c) of this Declaration, and in any case only in a manner that does not cause a violation of applicable laws including the Zoning Regulations.

(c) Any Unit Owner that leases or licenses the occupancy of all or any portion of its Unit to any Person shall notify the Unit Owners Association, and supply such information to the Unit Owners Association as the Association may reasonably request, including contact information of responsible Persons in case of an emergency. This requirement to notify and provide information to the Unit Owners Association shall not apply to the Unit No. 3 Owner with regard to the issuance of parking contracts to Persons for use of the parking garage facility located within Unit No. 3, if the same are for hourly or daily parking in the parking garage facility, but shall apply where longer term arrangements are involved, or where there is a lease for the entirety of Unit No. 3. or a significant portion thereof where permitted by this Declaration to a Person. The requirement to notify and supply information shall also apply to any operator or manager of the parking facilities in Unit No. 3 on behalf of Unit No. 3 Owner and any contractual obligations of Unit No. 3 Owner with regard to the operator or manager.

Section 6.2 Right to Mortgage. Each Unit Owner shall have the right, subject to the regime of the Condominium and the Condominium Instruments, to place financing, secured by the Unit or Units owned by such Unit Owner or any part thereof. A Unit Owner shall provide the Unit Owners Association, or its designee with written notice of the placement of any financing secured by the Unit, with information concerning the name and address of such Mortgagee.

Section 6.3 Right to Sell. Each Unit Owner retains the right to sell its Unit and convey legal title to its Unit in conjunction with such sale, whether in response to an unsolicited offer or by formal offer of sale. A Unit may only be sold where there will be a continuation of the Permitted Uses for that Unit, and then only subject to any applicable provisions of the Title Documents. In conjunction with the sale of its Unit, a Unit Owner shall clear all delinquencies in payment of assessments of any kind arising under this Declaration, the Bylaws or the Declaration of Parking Operations.

Section 6.4 Right of First Offer.

(a) Notwithstanding the provisions of Section 6.3, if at any time Unit No. 3 Owner desires to sell or otherwise transfer, whether directly or indirectly, all or part of Unit No. 3 (the "Offered Property"), and no law prohibits Unit No. 3 Owner from disposing of the Offered Property by a negotiated sale, Unit No. 3 Owner shall first offer to sell the Offered Property to Unit No. 1 Owner, and thereafter to Unit No. 2 Owner if Unit No. 1 Owner does not previously elect to purchase the Offered Property. Any offering to Unit No. 1 Owner and Unit No. 2 Owner pursuant to this Section 6.4 shall be in writing advising such Unit Owner of the opportunity to purchase the Offered Property upon terms fixed by Unit No. 3 Owner, at its sole reasonable discretion, in the written offering (the "Offering"). The Offering shall specify the basic terms of the sale and the purchase price for the offered Property; provided, however, that the purchase price contained in the Offering shall be an amount that is no greater than the fair market value of the Offered Property as determined solely by Unit No. 3 Owner in good faith as of the date of the Offering (the "Purchase Price"). The Offering shall constitute an offer by Unit No. 3 Owner to sell all of its interests in the Offered Property to Unit No. 1 Owner or Unit No. 2 Owner, as applicable, at the Purchase Price and on the terms and conditions set forth in the Offering. The following provisions shall apply with regard to this process of providing the Offering to first the Unit No. 1 Owner and thereafter to Unit No. 2 Owner, if applicable.

(b) Unit No. 3 Owner shall first provide to Unit No. 1 Owner the Offering. Unit No. 1 Owner shall have thirty (30) days after the date of receipt of the Offering (the "First Acceptance Period") within which to notify Unit No. 3 Owner in writing if Unit No. 1 Owner has elected to purchase the Offered Property based upon the Offering (an "Acceptance Notice"). If Unit No. 1 Owner elects to purchase the Offered Property by timely delivery of an Acceptance Notice to Unit No. 3 Owner, then Unit No. 3 Owner and Unit No. 1 Owner shall enter into a binding agreement (which in all events shall be conditioned upon receipt of any required approvals from any public entities) to purchase the Offered Property pursuant to the terms and conditions of the Offering (the "Contract") within thirty (30) business days after the date of the delivery of the Acceptance Notice by Unit No. 1 Owner to Unit No. 3 Owner. The parties shall proceed to closing under the Contract by a date no later than ninety (90) days after the execution of the Contract by the parties.

(c) If Unit No. 1 Owner (i) elects not to acquire the Offered Property, or (ii) fails to deliver an Acceptance Notice to Unit No. 3 Owner during the First Acceptance Period, or (iii) fails to enter into a Contract within the required 30 business day period, or (iv) fails to settle on its acquisition of the Offered Property under the Contract within the required 90 day period, then Unit No. 1 Owner's right to acquire the Offered Property pursuant to Section 6.4(a) above shall be deemed terminated and Unit No. 3 Owner shall then provide a comparable Offering to Unit No. 2 Owner.

(d) After delivery of an Offering to purchase the Offered Property to Unit No. 2 Owner due to the actions (or omissions) by Unit No. 1 Owner, then Unit No. 2 Owner shall have thirty (30) days after date of receipt by it of the Offering from Unit No. 3 Owner (the "Second Acceptance Period") to deliver to Unit No. 3 Owner an Acceptance Notice based upon the Offering. If Unit No. 2 Owner elects to purchase the Offered Property by timely delivery of the Acceptance Notice, then Unit No. 3 Owner and Unit No. 2 Owner shall enter into a Contract within thirty (30) business days after the date of the delivery of the Acceptance Notice by Unit No. 2 Owner to Unit No. 3 Owner. The parties shall thereafter proceed to closing under the Contract by a date no later than ninety (90) days after the execution of the Contract by the parties.

(e) If Unit No. 2 Owner (i) elects not to acquire the Offered Property, or (ii) fails to timely give the Acceptance Notice to Unit No. 3 Owner during the Second Acceptance Period, or (iii) fails to enter into a Contract within the required 30 business day period, or (iv) fails to settle on its acquisition of the Offered Property within the required 90 day period, then Unit No. 2 Owner's right to acquire the Offered Property pursuant to Section 6.4(d) above shall be deemed terminated and Unit No. 3 Owner shall have the right to sell the Offered Property to any party pursuant to such terms, conditions and Purchase Price as is determined by Unit No. 3 Owner in its sole discretion, subject to the provisions of Section 6.4(h) below.

(f) If, after Unit No. 3 Owner's obligations to offer to sell the Offered Property to Unit No. 1 Owner and then to Unit No. 2 Owner pursuant to the foregoing Sections 6.4(a) through (e) are satisfied, terminated or otherwise waived and Unit No. 3 Owner thereafter has the right to sell the Offered Property to any third party, Unit No. 3 Owner may choose to offer to sell the Offered Property by either a competitive bid process, by offer to any third party or by any other method determined by Unit No. 3 Owner in its sole discretion, subject to the provisions of Sections 6.4 (g) and (h) below of this Declaration.

(g) In the event Unit No. 3 Owner shall desire to sell or otherwise transfer the Offered Property pursuant to a competitive bidding process, either by sealed bid, auction or request for proposals, ("Competitive Process"), then in such event neither Unit No. 1 Owner nor Unit No. 2 Owner shall be precluded from submitting a bid or otherwise participating in such Competitive Process as a bidder. Unit No. 3 Owner shall have no obligation to accept any bid from either Unit No. 1 Owner or Unit No. 2 Owner as the winning bid under any Competitive Process, provided that Unit No.3 Owner may not discriminate against Unit No. 1 Owner or Unit No. 2 Owner due to the fact that neither failed to acquire the Offered Property pursuant to the procedures set forth in Section 6.4(a) through (e) above of this Declaration. Furthermore Unit No. 3 Owner also may not discriminate against Unit No. 1 Owner or Unit No. 2 Owner in the selection of the bidder with the winning bid for the Offered Property in a Competitive Process,

where either submits a bid that is the highest dollar value bid of bids submitted for the Offered Property, so long as the bid of Unit No. 1 Owner or of Unit No. 2 Owner otherwise satisfies all of the requirements and specifications set forth in the Competitive Process for evaluation of a winning bid.

(h) Notwithstanding anything to the contrary contained in this Section 6.4, Unit No. 1 Owner and thereafter Unit No. 2 Owner shall be entitled to receive a new Offering with regard to the sale or other transfer of all or the offered portion of the Offered Property pursuant to the provisions of Sections 6.4(a) through (e) above of this Declaration, under the following circumstances:

(i) Unit No. 3 Owner shall have failed to enter into a contract for the sale of the Offered Property to any third party ("Third Party Sales Contract") within one year following the last day of the Second Acceptance Period, and Unit No. 3 Owner thereafter still desires to sell the Offered Property;

(ii) Unit No. 3 Owner shall have entered into a Third Party Sales Contract, but such Third Party Sales Contract was terminated without closing and Unit No. 3 Owner thereafter still desires to sell the Offered Property;

(iii) Unit No. 3 Owner shall have entered into a Third Party Sales Contract and such Third Party Sales Contract has not closed pursuant to the terms therein within a period of one hundred eighty (180) days after the effective date of the Third Party Sales Contract.

(iv) Notwithstanding anything to the contrary in this Section 6.4, Unit No. 3 Owner may not agree to sell the Offered Property to a Person through a Third Party Sales Contract, whether through the Competitive Process or a negotiated sale, for a purchase price and/or other monetary terms which in the aggregate would result in a sale of the Offered Property for less than ninety percent (90%) of the fair market value of the Offered Property as of the date Unit No. 3 Owner chooses to sell Unit No. 3 under Section 6.4(a) above, as such fair market value is determined as of that date in the sole good faith and reasonable discretion of Unit No. 3 Owner.

(v) The provisions of this Section 6.4 shall not apply to the exercise by a Mortgagee of its rights under any Mortgage encumbering legal title to Unit No. 3 or under the Bond Documents, nor to the disposition by such Mortgagee of its interests in Unit No. 3 following its exercise of rights under the then applicable Mortgage or the then applicable Bond Documents, but shall apply thereafter to any subsequent disposition of the Offered Property by any purchaser of the Mortgagee's interest in the Offered Property.

Section 6.5 Sale or Assignment of Limited Common Elements. A Unit Owner shall not have the right to sell, convey, assign or transfer any Limited Common Elements assigned to

its Unit separate and apart from the conveyance of the Unit to which such Limited Common Elements pertain.

Section 6.6 Estoppel Certificates. Solely in conjunction with the rights and restrictions imposed on each Unit Owner by the Title Documents, the DC USA Deed, this Declaration and the Bylaws, the Unit Owners Association and each Unit Owner (the "Responding Unit Owner") shall execute, acknowledge and deliver to any Unit Owner that makes a request in conjunction with a sale of its Unit, a refinancing of any indebtedness secured by a lien on its Unit or a refinancing of the Bonds (the "Requesting Party") an estoppel certificate in recordable form for the benefit of the Requesting Party, or any prospective purchaser from, lender to or bond holder of the Requesting Unit Owner, stating whether the Requesting Party has complied with rights and restrictions imposed by the Title Documents, this Declaration and the Bylaws as applicable. The Responding Unit Owner shall deliver the same to the Requesting Party upon no less than twenty (20) days' prior written notice by the Requesting Unit Owner to the Responding Party.

ARTICLE VII SPECIAL DECLARANT RIGHTS

Section 7.1 Generally. Special Declarant Rights are those rights reserved for the benefit of the Declarant as provided for in the Condominium Act and the Condominium Instruments, and shall include, without limitation, the following rights: (a) to complete improvements indicated on the Plats and Plans filed with this Declaration; (b) to maintain models, sales offices, leasing offices, management offices, customer service offices, and signs advertising the Units; and (c) to use easements through the Common Elements and the Units for the purpose of making improvements or performing repairs within the Condominium.

Section 7.2 Transfer of Special Declarant Rights.

(a) The Declarant may, but shall not be obligated to, transfer Special Declarant Rights created or reserved under the Condominium Act or provided for in the Condominium Instruments. Any transfer by Declarant of Special Declarant Rights hereunder may solely be made to a Unit Owner or a Mortgagee. In no event shall any transfer of Special Declarant Rights hereunder remove, transfer or waive any rights or obligations of Declarant under the Title Documents or the DC USA Deed. Any such transfer shall be by an instrument evidencing the transfer recorded in the Land Records. The instrument is not effective unless executed by the transferor and transferee.

(b) Upon transfer of any Special Declarant Right, the liability of a transferor declarant is as follows:

(i) A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for any warranty obligations imposed upon the transferor declarant by the Condominium Act. Lack of privity does not deprive any Unit owner of standing to bring an action to enforce any obligation of the transferor.

(ii) If the successor to any Special Declarant Right is an "affiliate of a declarant" (hereinafter defined), the transferor is jointly and severally liable with the successor for any obligation or liability of the successor which relates to the Condominium. For purposes of this subsection, the phrase "affiliate of a declarant" shall mean the same as set forth in Section 42-1901.02 of the Condominium Act.

(iii) If a transferor retains any Special Declarant Rights, and transfers other Special Declarant Rights to a successor who is not an affiliate of the transferor, the transferor is liable for any obligations or liabilities imposed on a declarant by the Condominium Act or by the Condominium Instruments that relate to the retained Special Declarant Rights and that arise after the transfer.

(iv) A transferor has no liability for any act or omission, or any breach of a contractual or warranty obligation arising from the exercise of a Special Declarant Right by a successor declarant who is not an affiliate of the transferor.

(c) Unless otherwise provided in a Mortgage, in case of foreclosure of any Mortgage (or deed in lieu of foreclosure), tax sale, judicial sale, sale by a trustee under a deed of trust, or sale under the Bankruptcy Code or receivership proceedings, of any Units owned by Declarant in the Condominium or real estate in a condominium subject to "development rights" (hereinafter defined), a person acquiring title to all the real estate being foreclosed or sold, but only upon its request, succeeds to any or all Special Declarant Rights related to the real estate held by the Declarant, or to any rights reserved in the Condominium Instruments to maintain models, sales offices, management offices, customer service offices and advertising signs. The judgment or instrument conveying title shall provide for transfer of only the Special Declarant Rights requested. For purposes of this subsection, the term "development rights" means any rights or combination of rights to expand an expandable condominium, contract a contractible condominium, convert convertible land, or convert convertible space.

(d) Upon foreclosure (or deed in lieu of foreclosure), tax sale, judicial sale, sale by a trustee under a Mortgage, or sale under the Bankruptcy Code or receivership proceedings, of all Units in a Condominium owned by Declarant and other real estate in a condominium owned by Declarant: (i) Declarant shall cease to have any Special Declarant Rights, and (ii) the period of Declarant control, if any, as provided in the Condominium Act, shall terminate unless the judgment or instrument conveying title provides for transfer of all Special Declarant Rights held by the Declarant to a successor declarant.

(e) The liabilities or obligations of persons who succeed to Special Declarant Rights are as follows:

(i) A successor to any Special Declarant Right who is an affiliate of Declarant is subject to any obligations or liabilities imposed on the transferor by the Condominium Act or by the Condominium Instruments.

(ii) A successor to any Special Declarant Right, other than a successor described in paragraphs (iii) or (iv) of this subsection, who is not an affiliate of the Declarant, is subject to any obligations or liabilities imposed by the Condominium Act or the Condominium

Instruments: (A) on a declarant which relates to such declarant's exercise or non-exercise of special declarant rights; or (B) on the transferor, other than: (1) misrepresentations by any previous declarant; (2) warranty obligations on improvements made by any previous declarant, or made before the Condominium was created; (3) breach of a fiduciary obligation by any previous declarant; or (4) any liability or obligation imposed on the transferor as a result of the transferor's acts or omissions after the transfer.

(iii) A successor who is not an affiliate of Declarant and whose sole right is a reservation to maintain models, sales offices, management offices, customer service offices and advertising signs, may not exercise any other Special Declarant Right, and is not subject to any liability or obligation as a declarant, except the obligation to provide a public offering statement and any liability arising as a result thereof.

(iv) A successor to all Special Declarant Rights held by the transferor who is not an affiliate of the Declarant and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Units under this Section 7.2 may declare the intention in a recorded instrument to hold those rights solely for transfer to another person. Thereafter, until transferring all Special Declarant Rights to any person acquiring title to any Unit owned by the successor, or until recording an instrument permitting exercise of all those rights, that successor may not exercise any of those rights. So long as a successor declarant may not exercise Special Declarant Rights under this subsection, such successor declarant is not subject to any liability or obligation as a declarant.

(f) Nothing in this Article shall subject any successor to a Special Declarant Right to any claims against or other obligations of a transferor declarant, other than claims or obligations arising under the Condominium Act or the Condominium Instruments.

ARTICLE VIII MISCELLANEOUS PROVISIONS

Section 8.1 Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 8.2 Severability/Conflicts. The invalidity or unenforceability of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid or unenforceable provision had never been included herein. Any conflict between (a) the Condominium Instruments and (b) the Rules and Regulations shall be governed by the Condominium Instruments.

Section 8.3 No Revocation or Partition. The Common Elements shall remain undivided legally as to ownership thereof, and no Unit Owner or any other person shall bring or have the right to bring any action for partition or division thereof, nor shall the Common Elements be abandoned by act or omission, unless the condominium regime is waived and terminated by agreement of all the Unit Owners and all Mortgagees.

Section 8.4 Applicable Law. This Declaration and any interpretation thereof shall be governed by the law of the District of Columbia.


IN WITNESS WHEREOF, GRID Urban Ventures III, LLC, a New York limited liability company, a Managing Member of USPDC, LLC, a New York limited liability company, Managing Member of DC USA Management Co. LLC, a Delaware limited liability company, Manager and Sole Member of DC USA Operating Co., LLC, a New York limited liability company, has caused these presents to be signed in its name by Drew Greenwald, its Managing Member, and Picket Realty Construction Consultants LLC, a New York limited liability company, Manager of DC USA GO, LLC, a New York limited liability company, a Managing Member of USPDC, LLC, a New York limited liability company, Managing Member of DC USA Management Co. LLC, a Delaware limited liability company, Manager and Sole Member of DC USA Operating Co., LLC, a New York limited liability company, has caused these presents to be signed in its name by David L. Pickett, a Member, for the purposes of executing, acknowledging and delivering these Bylaws as the act and deed of the various limited liability companies for themselves and in their respective interests in DC USA Operating Co., LLC, the Declarant hereunder, all as of the day and year hereinbefore written.

DC USA OPERATING CO., LLC,
a New York limited liability company

By: DC USA Management Co. LLC,
a Delaware limited liability company,
Manager and Sole Member

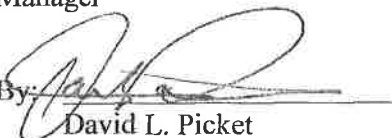
By: USPDC, LLC,
a New York limited liability company,
Managing Member

By: GRID Urban Ventures III, LLC,
a New York limited liability company,
Managing Member

By: 
Drew Greenwald
Managing Member

By: DC USA GO, LLC,
a New York limited liability company,
Managing Member

By: Picket Realty Construction Consultants LLC,
a New York limited liability company,
Manager

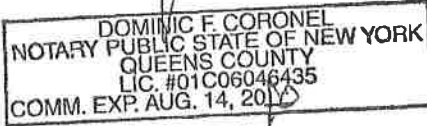
By: 
David L. Pickett
Member

COUNTY OF Queens

STATE OF NEW YORK, to wit:

I, Dominic F. Corone, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Drew Greenwald, Managing Member of GRID Urban Ventures III, LLC, a Managing Member of USPDC, LLC, Managing Member of DC USA Management Co. LLC, itself Manager and Sole Member of DC USA Operating Co., LLC, Declarant, in the foregoing and annexed Bylaws, personally appeared before me in said jurisdiction and, being personally well known to me, acknowledged said instrument to be the act and deed of said limited liability companies and delivered the same as such.

GIVEN under my hand and seal this 26 day of March 2008.

My commission expires: Aug 14, 2010
[NOTARIAL SEAL]

Notary Public

COUNTY OF New York

STATE OF NEW YORK, to wit:

I, Sheila Curtin, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that David L. Picket, Member of Picket Realty Construction Consultants LLC, Manager of DC USA GO, LLC, a Managing Member of USPDC, LLC, Managing Member of DC USA Management Co. LLC, Manager and Sole Member of DC USA Operating Co., LLC, Declarant, in the foregoing and annexed Bylaws, personally appeared before me in said jurisdiction and, being personally well known to me, acknowledged said instrument to be the act and deed of said limited liability companies and delivered the same as such.

GIVEN under my hand and seal this 26th day of March 2008.

Sheila Curtin
Notary Public
My commission expires: November 24, 2011

[NOTARIAL SEAL]

SHEILA CURTIN
Notary Public, State of New York
No. 01CU6179342
Qualified in Westchester County
Commission Expires Dec. 24, 2011

EXHIBIT A

to

DECLARATION
FOR DC USA CONDOMINIUM

LEGAL DESCRIPTION

All that certain lot or parcel of land situated and lying in the District of Columbia, and more particularly described as follows:

Lot of Record 721 in Square 2674 pursuant to recorded in Subdivision Book 200 at Page 44 among the records of the Office of the Surveyor of the District of Columbia,

But specifically less and except (i) any transferable development rights ("TDRs") appurtenant to the above-described property as of the Effective Date, all such rights being retained by the Declarant, (ii) any rights to any benefits, proceeds or other consideration arising from any sale and transfer of those TDRs, all of such rights to be deemed vested and retained by Declarant or its assignees, (iii) any beneficial or other consideration to be paid, posted or given by or on behalf of the Declarant prior to the Effective Date in conjunction with and arising out of any combined lot development arrangements under the Zoning Regulations, (iv) any refund of all or a portion of any governmental imposition paid by or on behalf of the Declarant, including but not limited real property taxes, franchise taxes, business improvement district taxes, public space rentals and similar impositions, imposed upon the Declarant for the period prior to the Effective Date and for which the Declarant has applied for a refund or appealed the imposition of prior to the Effective Date, or for which Declarant has been assessed and charged with regard to any period prior to the Effective Date, (v) any return, release, or refund of any deposits, bonds, or escrow of funds posted by or on behalf of the Declarant prior to the Effective Date in conjunction with the development of the Building, including but not limited to utilities bonds, and (vi) any investment tax credits arising under the United States Internal Revenue Code arising or related the development of the Building.

EXHIBIT B

to

DECLARATION
FOR DC USA CONDOMINIUM

Common Element Interests Table

<u>Unit Designation</u>	<u>Par Value</u>	<u>Percentage of Undivided Interest</u>
Unit No. 1 (Retail Unit)	40	40.0%
Unit No. 2 (Target Unit)	30	30.0%
Unit No. 3 (Parking Unit)	<u>30</u>	<u>30.0%</u>
Totals	100	100.0%


Appendix A
to
Bylaws for DC USA CONDOMINIUM

**TRUSTEE'S JOINDER, CONSENT AND SUBORDINATION
TO BYLAWS FOR DC USA CONDOMINIUM**

On this 26th day of March 2008, the undersigned, Verdugo Trustee Service Corporation, Trustee under that certain Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing, dated February 15, 2006, securing Citicorp USA, Inc. ("Lender"), recorded on February 16, 2006, among the land records of the Office of the Recorder of Deeds of the District of Columbia as Instrument No. 2006021130 (the "Deed of Trust"), encumbering the land, including the improvements thereon and the appurtenances thereto, described as the Unit No. 1, Unit No. 2 and Unit No. 3 in the Bylaws for DC USA Condominium (the "Bylaws") to which this Trustee's Joinder, Consent and Subordination is appended, with full authority from the beneficiary secured under said Deed of Trust as reflected in Appendix A-1 attached hereto, do hereby consent to the terms and conditions of the foregoing Bylaws, and covenants and agrees that the lien, effect and operation of said Deed of Trust be subject and subordinate to the effect and operation of the Bylaws, said Deed of Trust otherwise to remain unmodified and in full force and effect; provided that such consent and subordination shall not be construed as subordinating the terms and conditions of the Deed of Trust to the terms and conditions of the Bylaws or as deferring to the terms and conditions of the Bylaws in the event of any conflict, it being the intent that the terms and conditions of the Deed of Trust shall govern in any such event and that such consent and subordination shall be effective solely to the extent necessary to permit the creation of a condominium regime form of ownership.

IN WITNESS WHEREOF, Verdugo Trustee Service Corporation, has caused this instrument to be executed by Richard M. Fitzgerald, its Vice President, and does hereby appoint said Richard M. Fitzgerald as its attorney-in-fact for purposes of executing, acknowledging and delivering this instrument, for and on behalf of said corporation, all as of the day and year first hereinabove written.

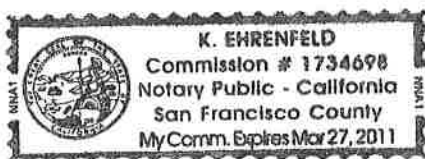
VERDUGO TRUSTEE SERVICE CORPORATION

By: 
Name: Richard M. Fitzgerald
Title: VP

California)
San Francisco) ss:

BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date Richard M. Fitzgerald, personally well known (or satisfactorily proven) to me to be the person whose name is subscribed to the foregoing and annexed Instrument, who, being by me first duly sworn, did depose and state that he is the Vice president and attorney-in-fact of Verdugo Trustee Service Corporation, which entity is a party to the foregoing and annexed Instrument, and that he, being duly authorized so to do, executed said Instrument on behalf of said entity and acknowledged the same as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 26 day of March 2008.



K. Ehrenfeld
Notary Public
[Notarial Seal]

My Commission Expires:

APPENDIX A-1

BENEFICIARY'S AUTHORIZATION TO TRUSTEE

On this 26th day of March 2008, Citicorp USA, Inc., Beneficiary under that certain Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing, dated February 15, 2006, securing Citicorp USA, Inc. ("Lender"), recorded on February 16, 2006, among the land records of the Office of the Recorder of Deeds of the District of Columbia as Instrument No. 2006021130 (the "Deed of Trust"), hereby authorizes Verdugo Trustee Service Corporation, Trustee, to execute the annexed Trustee's Joinder, Consent and Subordination for the purposes set forth therein.

IN WITNESS WHEREOF, Citicorp USA Inc., has caused this instrument to be executed by Priya Jayachandran its vice president, and does hereby appoint said Priya Jayachandran its attorney-in-fact for purposes of executing, acknowledging and delivering this instrument, for and on behalf of said corporation, all as of the day and year first hereinabove written.

CITICORP USA, INC.

By: _____

Name: _____

Title: _____

Priya Jayachandran
Vice president

District of Columbia)

) ss:

BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date Priya Jayachandran, personally well known (or satisfactorily proven) to me to be the person whose name is subscribed to the foregoing and annexed Instrument, who, being by me first duly sworn, did depose and state that she is the Vice President and attorney-in-fact of Citicorp USA, Inc., which entity is a party to the foregoing and annexed Instrument, and that she, being duly authorized so to do, executed said Instrument on behalf of said entity and acknowledged the same as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 26th day of March 2008.

ELSA ARAYA
Notary Public, District of Columbia
My Commission Expires 09-14-2011

Elsa Araya
Notary Public
[Notarial Seal]

My Commission Expires:

Appendix B
to
Bylaws for DC USA Condominium

**TRUSTEE'S JOINDER, CONSENT AND SUBORDINATION
TO BYLAWS FOR DC USA CONDOMINIUM**

On this 26th day of March 2008, the undersigned, Verdugo Trustee Service Corporation, Trustee under that certain Indemnity Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing, dated February 15, 2006, Citicorp North America, Inc. ("Lender"), recorded on February 16, 2006, among the land records of the Office of the Recorder of Deeds of the District of Columbia as Instrument No. 2006021132 (the "Deed of Trust"), encumbering the land, including the improvements thereon and the appurtenances thereto, described as the Unit No. 1, Unit No. 2 and Unit No. 3 in the Bylaws for DC USA Condominium to which this Trustee's Joinder, Consent and Subordination is appended, with full authority from the beneficiary secured under said Deed of Trust as reflected in Appendix B-1 attached hereto, do hereby consent to the terms and conditions of the foregoing Bylaws, and covenants and agrees that the lien, effect and operation of said Deed of Trust be subject and subordinate to the effect and operation of the Bylaws, said Deed of Trust otherwise to remain unmodified and in full force and effect; provided that such consent and subordination shall not be construed as subordinating the terms and conditions of the Deed of Trust to the terms and conditions of the Bylaws or as deferring to the terms and conditions of the Bylaws in the event of any conflict, it being the intent that the terms and conditions of the Deed of Trust shall govern in any such event and that such consent and subordination shall be effective solely to the extent necessary to permit the creation of a condominium regime form of ownership.

IN WITNESS WHEREOF, Verdugo Trustee Service Corporation, has caused this instrument to be executed by Richard M. Fitzgerald, its Vice President, and does hereby appoint said Richard M. Fitzgerald as its attorney-in-fact for purposes of executing, acknowledging and delivering this instrument, for and on behalf of said corporation, all as of the day and year first hereinabove written.

VERDUGO TRUSTEE SERVICE CORPORATION

By: _____

Name: _____

Title: _____

Richard M Fitzgerald
Richard M Fitzgerald
VP

California)
San Francisco) ss:

BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date RICHARD M. Fitzgerald, personally well known (or satisfactorily proven) to me to be the person whose name is subscribed to the foregoing and annexed Instrument, who, being by me first duly sworn, did depose and state that he is the Vice President and attorney-in-fact of Verdugo Trustee Service Corporation, which entity is a party to the foregoing and annexed Instrument, and that he, being duly authorized so to do, executed said Instrument on behalf of said entity and acknowledged the same as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 26 day of March 2008.



K. Eh
Notary Public
[Notarial Seal]

My Commission Expires:

RECORDING	\$	426.00
SURCHARGE	\$	6.50
COPIES	\$	135.00
CERTIFICATION	\$	2.25

APPENDIX B-1

BENEFICIARY'S AUTHORIZATION TO TRUSTEE

On this 26th day of March 2008, Citicorp North America, Inc., Beneficiary under that certain Indemnity Deed of Trust, Assignment of Leases, Security Agreement, and Fixture Filing, dated February 15, 2006, securing Citicorp North America, Inc. ("Lender"), recorded on February 16, 2006, among the land records of the Office of the Recorder of Deeds of the District of Columbia as Instrument No. 2006021132 (the "Deed of Trust"), hereby authorizes Verdugo Trustee Service Corporation, Trustee, to execute the annexed Trustee's Joinder, Consent and Subordination for the purposes set forth therein.

IN WITNESS WHEREOF, Citicorp North America, Inc., has caused this instrument to be executed by Priya Jayachandran its Vice President, and does hereby appoint said Priya Jayachandran as its attorney-in-fact for purposes of executing, acknowledging and delivering this instrument, for and on behalf of said corporation, all as of the day and year first hereinabove written.

CITICORP NORTH AMERICA, INC.

By: _____

Name: Vice President

Title: Priya Jayachandran

District of Columbia)

) SS:

Doc# 2008034084 Fees: \$569.75
03/31/2008 11:19AM Pages 60
Filed & Recorded in Official Records of
WASH DC RECORDER OF DEEDS LARRY TODD

BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date Priya Jayachandran, personally well known (or satisfactorily proven) to me to be the person whose name is subscribed to the foregoing and annexed Instrument, who, being by me first duly sworn, did depose and state that she is the Vice President and attorney-in-fact of Citicorp North America, Inc., which entity is a party to the foregoing and annexed Instrument, and that she, being duly authorized so to do, executed said Instrument on behalf of said entity and acknowledged the same as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 26th day of March 2008.

ELSA ARAYA
Notary Public, District of Columbia
My Commission Expires 09-14-2011

Elsa Araya
Notary Public
[Notarial Seal]

My Commission Expires:

ELSA ARAYA
Notary Public, District of Columbia
My Commission Expires 09-14-2011

MAR 31 2008

Records of Death, D.C.
THIS IS TO CERTIFY THAT THIS IS A TRUE COPY
Virginia Johnson
Frank J. Lee



**DC USA RETAIL CONDOMINIUM
BYLAWS
PAGES 63-146**



BYLAWS

FOR

DC USA CONDOMINIUM

Date: March 26, 2008

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BYLAWS

FOR DC USA CONDOMINIUM

ARTICLE 1 General Provisions

Section 1.1. Name. These Bylaws provide for the governance of the Condominium by the Unit Owners Association pursuant to the requirements of Subchapter III of the Condominium Act. The name of the Unit Owners Association shall be the "Unit Owners Association of DC USA Condominium, Inc."

Section 1.2. Office. The office of the Condominium and the Unit Owners Association shall be located at 3100 14th Street, N.W., Washington, D.C. 20010 or at such other place in Washington, D.C. as may be designated from time to time by the Unit Owners Association.

Section 1.3. Definitions. Terms used herein without definition shall have the meanings specified for such terms in the Declaration, or if not defined therein, the meanings specified for such terms in Section 42-1901.02 of the Condominium Act.

ARTICLE 2 Unit Owners Association

Section 2.1. Composition. The Unit Owners Association shall consist of all of the Unit Owners. The Unit Owners Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting Common Expense assessments and other assessments and charges, arranging for the management of the Condominium and performing all of the other acts that may be required or permitted to be performed by the Unit Owners Association pursuant to the Condominium Act, the Declaration, these Bylaws and the Rules and Regulations.

Section 2.2. Annual Meetings/Notice of Annual Meetings. The annual meetings of the Unit Owners Association shall be held on October 1st of each year (or if such day is a Saturday, Sunday or governmentally fixed legal holiday, on the next Business Day, or on such other day as may be approved by the Standard Majority Vote of the Unit Owners. The Secretary shall send notice of each annual meeting at least twenty-one (21) days in advance of each annual meeting. The giving of a notice of an annual meeting in the manner provided in this Section and Section 11.1 of these Bylaws shall be considered service of notice. The notice of the annual meeting issued to the Unit Owners must include a clear, concise and accurate statement of the matters to be considered at the annual meeting that will require the formal action and vote of the Unit Owners at the meeting.

Section 2.3. 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 place in Washington, D.C. that is approved by the Standard Majority Vote of the Unit Owners.

Section 2.4. Special Meetings. Any Unit Owner may request a special meeting of the Unit Owners Association. The President-Treasurer shall send notice of any special meeting to all Unit Owners which shall state the time, place and purpose thereof.

Section 2.5. Notice of Special Meetings. Notice of a special meeting shall be transmitted at least seven (7), but not more than thirty (30) days prior to such meeting, stating the time, place and purpose thereof. The giving of a notice of a special meeting in the manner provided in this Section and Section 11.1 of these Bylaws shall be considered service of notice. The notice of a special meeting issued to the Unit Owners must include a clear, concise and accurate statement of the matters to be considered at the special meeting called by the notice that will require the formal action and vote of the Unit Owners at the meeting.

Section 2.6. Quorum at Meetings. Provided the required notice is given, the presence in person or by proxy of two (2) out of the three (3) of the Unit Owners shall constitute and be necessary for a quorum at all meetings of the Unit Owners Association; provided, however, that (a) in the case of any matter requiring a decision by a Special Majority Vote, then, notwithstanding the presence of a quorum, no action may be taken by the Unit Owners Association on such matter except by a Special Majority Vote in accordance with the processes set forth in these Bylaws, except as specified in Section 2.7(d), and (b) in the case of any matter requiring the approval of all the Unit Owners, then, notwithstanding the presence of a quorum, no action may be taken by the Unit Owners Association on such matter except by the Unanimous Vote in accordance with the processes set forth in these Bylaws.

Section 2.7. Voting. Voting at all meetings of the Unit Owners Association shall be on a percentage basis and the percentage of the vote to which each Unit Owner is entitled shall be the Common Element Interests assigned to such Unit Owner's Unit in the Declaration as the same appears in the Common Element Interests Table appended to the Declaration.

(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 President-Treasurer (if such a certificate is on file) 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 42-1903.05(c) of the Condominium Act. If a Unit Owner is not a natural Person, the vote for such Unit may be cast by any natural person having authority to act on behalf of such Unit Owner. Subject to the requirements of the Condominium Act, wherever the approval or disapproval of a Unit Owner is required by the Condominium Act or the Condominium Instruments, such approval or disapproval shall be made only by the Person who would be entitled to cast the vote of such Unit at any meeting of the Unit Owners Association. There shall be no cumulative voting.

(c) Except where a greater number is required by the Declaration or these Bylaws, a Standard Majority Vote is required to adopt decisions at any meeting of the Unit Owners Association.

(d) Where due notice has been given to and received by a Unit Owner of the call of a meeting of the Unit Owners Association to consider and take action on a specific matter noted in the notice of meeting, and either (i) a quorum cannot be established at the time and place specified in the meeting notice, or (ii) if a quorum is established, but no action on the matter is taken by the Unit Owners by Required Vote to approve or to disapprove the specific matter noticed, or no action is taken by Standard Majority Vote to extend consideration by the Unit Owners Association of that matter to a date certain in the future, then a call and notice of a special meeting of the Unit Owners Association may be given with regard to that specific matter. If a call of a special meeting of the Unit Owners Association is given, and either (iii) a quorum cannot be established at the time and place specified in the special meeting notice, or (iv) if a quorum is established, but no action on the matter is taken by the Unit Owners at the special meeting to approve or to disapprove the specific matter noticed by Required Vote, or no action is taken by Standard Majority Vote to extend consideration of that matter by the Unit Owners Association to a date certain in the future, then the matter shall be deemed to have been duly considered and approved by the Unit Owners Association, a Required Vote of approval as to that specific matter having been obtained. Before a specific matter approved by the Unit Owners Association in the manner specified above in this Section 2.7 may be implemented, the Unit Owners Association by and through the President-Treasurer shall deliver written notice to each Unit Owner advising the Unit Owner that the Unit Owners Association has taken action in such fashion and allow five (5) calendar days to pass from the date of the notice before implementation of the specific matter that was so approved. If within that five (5) day period a Unit Owner delivers a vote of disapproval of the action by proxy then the Unit Owners Association may not proceed to implement the specific matter; if no Unit Owner delivers a vote of disapproval by proxy within the five (5) day period, then the Unit Owners Association may proceed to implement the specific matter. Notwithstanding anything to the contrary in the foregoing, under no circumstances may any action taken by the Unit Owners Association pursuant to this Section 2.7(d) be deemed to relieve the Unit Owners Association (or any Unit Owner) from having to obtain, where applicable, Mortgagee approval on those matters where the Declaration or these Bylaws require Mortgagee approval or consent.

Section 2.8. Proxies. A vote may be cast by a Unit Owner in person or by proxy. A proxy may be instructed (directing the proxy how to vote) or uninstructed (leaving how to vote to the proxy's discretion). Proxies may be granted by any Unit Owner in favor of (a) any Mortgagee duly registered with the Unit Owners Association pursuant to Section 8.1 of these Bylaws as having an interest in such Unit Owner's Unit, but only if that Mortgagee shall be entitled to the same in accordance with the deed of trust or mortgage under which the Mortgagee holds its interest in the Unit, or (b) another Unit Owner. Proxies shall be duly executed in writing, shall be duly acknowledged (notarized), shall be dated, shall be signed by a natural person having authority at the time of the execution thereof to execute deeds on behalf of that Unit Owner, and shall be filed with the Secretary. Such proxy shall be deemed revoked only upon actual receipt by the natural person presiding over the meeting of notice of revocation from any of the persons owning such Unit. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy. The Unit Owners Association shall be entitled to fully rely upon any proxy submitted on behalf of a Unit Owner without the need for inquiry, if a proxy on behalf of a Unit Owner is submitted in accordance with the provisions of this Section.

Section 2.9. Conduct of Meeting. The minutes of all meetings shall be held in a Minute Book maintained for the Unit Owners' Association by the President-Treasurer. The then current Robert's Rules of Order or any other rules of procedure acceptable to a majority of the votes of Unit Owners shall govern the conduct of all meetings of the Unit Owners' Association when not in conflict with these Bylaws, the Declaration or the Condominium Act. All votes shall be tallied by a person or persons appointed by the presiding officer of the meeting, or if action is taken without a meeting pursuant to Section 2.10, then by the President-Treasurer.

Section 2.10. Action Without a Meeting. Any decision required or permitted to be made at an annual or special meeting of the Unit Owners Association may be taken by written consent without a meeting of the Unit Owners Association provided that (a) consent to waive the holding of a meeting is obtained from all Unit Owners, (b) if applicable, consent to waive the receipt of advanced notice of such is obtained from all Unit Owners and (c) the Required Vote for such decision is obtained.

ARTICLE 3 Powers and Duties of the Unit Owners Association; Delegation of Authority

Section 3.1. Powers and Duties. There shall be no executive or governing board of the Unit Owners Association. In addition to any responsibilities, duties or obligations imposed by the Condominium Act or the Declaration, the Unit Owners Association shall have the following powers and duties, subject to action first being taken by the Required Vote of the Unit Owners where a Required Vote is provided for in each case:

(a) Prepare and adopt by Required Vote an annual budget for each of (i) the expected General Expenses for the forthcoming fiscal year and the proposed supporting assessment of each Unit Owner for the General Expenses arising thereunder, (ii) the expected Limited Common Element Expenses for the forthcoming fiscal year and the proposed supporting assessment of each responsible Unit Owner for the Limited Common Element Expenses arising thereunder, and (iii) those known or anticipated Special Expenses, including costs and expenses for easement areas that one or more Unit Owners may have the benefit of, for the forthcoming fiscal year and the proposed supporting assessment(s) of each Unit Owner for the known or anticipated Special Expenses arising thereunder.

(b) Fix the amount of assessments against each Unit Owner to be collected by the Unit Owners Association, based upon the approved budget, to defray the General Expenses, the Limited Common Element Expenses and the Special Expenses of the Condominium, and establish the means and methods of collecting such assessments from each Unit Owner.

(c) Provide for (i) the operation, care, decoration, upkeep and maintenance of the General Common Elements, including but not limited to installation of temporary, seasonal displays, and (ii) for general access to and through the General Common Elements, as well as for delivery of services related thereto by the Unit Owners Association, including by and through the Service Facilities for which the Unit Owners Association is responsible.

(d) Provide security services and facilities in and for the General Common Elements, as well as in and for Unit No. 3, subject to the provisions of Section 5.10.

(e) Provide services and undertake responsibilities where a Unit Owner has failed in the performance of any of its obligations under the Declaration, these Bylaws, or the Declaration of Parking Operations, the costs incurred by the Unit Owner Associations being chargeable as Special Expenses to the appropriate Unit Owner(s), provided that such Unit Owner shall have been given no less than ten (10) business days to cure and/or correct its default after receipt of written notice to do so from the Unit Owners Association.

(f) Undertake alterations, repairs, replacements, additions and improvements to the General Common Elements, subject to compliance with the Facilities Access Conditions as applicable, provided that if any alterations, repairs, replacements and improvements would require the temporary closure of any entry to or from the Building through public corridors and staircases, or the Atrium Lobby, then such alterations, repairs, replacements and improvements may not be undertaken, except in an emergency or where applicable law requires otherwise, during the calendar months of August, November and December and such other months (or portions thereof) that are recognized and accepted from time to time as prime retail shopping periods in the retail market place in Washington, D.C., and additionally only during those hours that the tenants and occupants of Unit No.1 and Unit No. 2 are not open for business. Any such alterations, repairs, replacements, additions and improvements to the General Common Elements by or on behalf of the Unit Owners Association shall be accomplished in the minimum time reasonably necessary to complete the undertaking, and shall be conducted in a manner that is intended to minimize interference with the activities and normal business operations of any Unit Owner (or its tenants or occupants) .

(g) Subject to compliance with the Facilities Access Conditions as applicable, undertake alterations, additions and improvements to a Unit, any Limited Common Elements assigned to that Unit and any easement area benefiting one or more Unit Owners to the extent necessary where it can be reasonably established by the Unit Owners Association that a condition or situation in a Unit, any Limited Common Elements assigned to that Unit or any easement area benefiting one or more Unit Owners materially and adversely impacts the General Common Elements, any Limited Common Elements of any other Unit, or any other Unit, that the same needs to be corrected or cured to protect the General Common Elements, any other Limited Common Elements or another Unit, and that the same has not been duly undertaken by a Unit Owner or Unit Owners, as applicable, provided that such Unit Owner shall have been given no less than ten (10) business days to cure and/or correct its failure to cure or correct after receipt of written notice to do so from the Unit Owners Association.

(h) Designate, hire and dismiss the personnel and/or companies necessary for the maintenance, operation, repair and replacement of the General Common Elements and provide services for the General Common Elements 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 General Common Elements.

(i) Hire a Managing Agent as provided for by Section 3.4 of these Bylaws.

(j) Collect, when due and owing, the assessments for Common Expenses, special assessments of the Unit Owners Association, and Special Expenses to those Unit Owners for which Common Expenses were incurred by the Unit Owners Association, deposit the proceeds thereof in bank depositories designated by the Unit Owners Association and use the proceeds to carry out the administration of the Property.

(k) Open bank accounts on behalf of the Unit Owners Association with the signatories thereon designated by the Unit Owners Association.

(l) Make, or contract for the making of repairs, additions and improvements to or alterations of the General Common Elements, as appropriate Limited Common Elements, and as appropriate easement areas benefiting one or more Unit Owners, where in each case a Unit Owner has failed to perform its obligations with regard to the same for the benefit of the Condominium, the costs incurred by the Unit Owner Associations being chargeable as Special Expenses to the appropriate Unit Owner(s), provided that such Unit Owner shall have been given no less than ten (10) business days to cure and/or correct its default after receipt of written notice to do so from the Unit Owners Association, provided that any work undertaken would be subject to compliance with the Facilities Access Conditions as applicable.

(m) Make, or contract for the making of 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, provided that any work undertaken would be subject to compliance with the Facilities Access Conditions as applicable.

(n) Exercise such approval rights as provided to the Unit Owners Association by the Declaration or these Bylaws and enforce by legal means the provisions of the Declaration and these Bylaws;

(o) Act on behalf of all Unit Owners to take all actions to preserve and protect the Condominium with respect to all matters arising out of any eminent domain proceeding, and notify all Unit Owners of any litigation against the Unit Owners Association as a result thereof.

(p) Obtain and carry insurance against casualties and liabilities, as provided in Article 6 of these Bylaws, pay the premiums therefor and adjust and settle any claims thereunder.

(q) Pay the cost of all authorized services rendered to the Unit Owners Association.

(r) In accordance with Section 42-1903.14 of the Condominium Act, keep books with detailed accounts in chronological order of the receipts and expenditures by the Unit Owners Association affecting the Condominium, and the administration of the

Condominium, specifying the expenses of maintenance and repair of the Common Elements and any other expenses duly incurred. Such books and vouchers accrediting the entries therein shall be made available for examination by each Unit Owner, its attorneys, accountants, Mortgagees and authorized agents during general business hours on Business Days at the times and in the manner set and announced by the Unit Owners Association.

(s) Borrow money on behalf of the Unit Owners Association and the Condominium when required in connection with any one instance relating to the operation, care, upkeep and maintenance of the Common Elements.

(t) From time to time to designate portions of General Common Elements, including portions of abutting public space, as Reserved Common Elements available to a Unit Owner and impose such restrictions and conditions on the use thereof as the Unit Owners Association deems appropriate.

(u) Furnish the statement required by Section 42-1904.11 of the Condominium Act within ten (10) days after the receipt of a written request therefor from any Unit Owner.

(v) Establish reasonable reserves for repairs, capital replacements or other capital expenditures or purposes as may be provided for in any budget for the Unit Owners Association adopted in accordance with Section 5.1(b) and Section 5.1(c) of these Bylaws.

(w) Act in connection with the execution of any documents arising out of or related to covenants, easements, restrictions or similar documents that may encumber the Land or to which the Condominium (as distinct from any individual Unit Owner and excluding specifically the DC USA Deed) is or becomes liable or responsible, (including any Title Documents, but not the LDA and the Mortgagee Agreement) and any amendments to or termination of any of the foregoing, provided that before any grant, modification, amendment or exercise of termination of any easement, restriction, covenant or similar agreement, is executed, then a Required Vote has been obtained in accordance with these Bylaws as would be applicable to such grant, modification, amendment or termination.

(x) Act in connection with the application for or appeal of or under, any of the Governmental Requirements applicable to the Condominium or the Land, or the acceptance of benefits, burdens and relief thereunder.

(y) Amend any or all of the Condominium Instruments, including Schedule A to these Bylaws, in any manner which (i) is not inconsistent with the DC USA Deed, (ii) would not require modification of the Declaration of Parking Operations, and/or (iii) not would violate the Bond Documents, so long as any of the same are in full force and effect.

(z) Amend the Rules and Regulations from time to time as may be deemed reasonably necessary to insure the due and proper operation of the Condominium and the continuation of the Building as a high quality retail/commercial facility, comparable to other high quality retail/commercial buildings in the Washington, D.C. metropolitan area, provided that such Rules and Regulations do not discriminate between different Unit Owners

and are not inconsistent with any of the provisions of the Condominium Instruments, DC USA Deed or Declaration of Parking Operations, including those provisions requiring Special Majority Vote or Unanimous Vote.

(aa) Identify the areas and locations on the General Common Element roof of the Building that are appropriate for the installation of (i) Service Facilities and Unit Facilities, and (ii) antennas and other transmitting/receiving equipment, and related support equipment therefor, by Unit No. 1 Owner, Unit No. 2 Owner, and Unit No. 3 Owner as contemplated by Section 4.7 of the Declaration, including consulting with Unit No. 1 Owner, where such area or location is within the vertical boundaries of Unit No. 1, and consulting with Unit No. 2 Owner, where such area or location is on the roof of the Building above Unit No. 2, and in each case fix maintenance and repair responsibilities related thereto.

(bb) Approve installation of improvements within boundaries of Unit No. 1 on the portion of the General Common Element roof of the Building located within Unit No. 1, including but not limited the manner of installation of any improvements.

(cc) Take no actions or fail to take an action that would restrict or prevent general access to and through the General Common Element public corridors, public staircases, and the Atrium Lobby, except (i) in the case of an emergency or as may be required by applicable law; (ii) in the case of a scheduled repair, replacement, installation, alteration, or similar action to the General Common Elements, or portions thereof, approved by the Unit Owners Association by a Required Vote; and (iii) in the case where a concern for the security of person or property arises as reasonably determined by the Managing Agent that necessitates restriction on or control of access to and from the Building, including to and from Unit No. 3.

(dd) Designate portions of the third floor of the Atrium Lobby as Reserve Common Elements to Unit No. 1 Owner for the location of specialty retail kiosks, display cases and similar sales venues related to Unit No. 1, provided that any location considered for designation as a Reserve Common Element for this purpose would (i) be situated back from the frontage of Unit No. 2 on the third floor of the Atrium Lobby, (ii) maintain compliance with applicable laws related to fire and life safety, (iii) not impeded access to General Common Element elevators, escalators, corridors and staircases, and (iv) be used and operated in compliance with the Rules and Regulations.

(ee) Assume and perform such duties and responsibilities and accept such rights and benefits specified in the Declaration of Parking Operations as those of the Unit Owners Association, subject to the pertinent provisions of the Declaration of Parking Operations.

(ff) Approve (i) the manner of installation of and maintenance/repair programs for Identification Monuments in areas of Common Elements, (ii) the location of Identification Monuments to be installed in General Common Element areas, and (iii) any increase in the maximum permitted depth of Identification Monuments off of surfaces, as otherwise provided for on the Plats and Plans.

(gg) Do such other things and acts as authorized by the Declaration or these Bylaws.

(hh) Do such other things and acts not inconsistent with the Condominium Act or the Condominium Instruments which the Unit Owners Association may be authorized to do by a resolution of the Unit Owners Association.

Section 3.2. Actions by Unit Owners Association Requiring a Standard Majority Vote; Actions by Unit Owners Association Requiring a Special Majority Vote or a Unanimous Vote of All Unit Owners.

(a) Actions Requiring a Standard Majority Vote. The Unit Owners Association may exercise all of the powers and duties specified in Section 3.1 above of these Bylaws by Standard Majority Vote action, except as otherwise specifically provided for in Section 3.2(b) and Section 3.2(c) below.

(b) Actions Requiring a Special Majority Vote. The following actions shall require a Special Majority Vote:

(i) Approval of any budget related to the Limited Common Element Expenses, provided that if a line item of any budget related to the Limited Common Element Expenses involves budgeting for a line item related to a Limited Common Element assigned to Unit No. 3, then the vote of Unit No. 3 Owner shall be required to approve such line item, but not for the entire budget for Limited Common Element Expenses, as otherwise provided in Sections 5.1(c) and (f).

(ii) Approval of any budget related to known or anticipated Special Expenses pursuant to Sections 5.1(d) and (g), including reserve accounts for Special Expenses, provided that where that proposed budget for Special Expenses attributable to Unit No. 3 Owner contains any line item that reflects an increase of more than ten percent (10%) in the amount of any line item that would be due and owing by Unit No. 3 Owner and Unit No. 3 Owner would be responsible for Ten Thousand and 00/100ths Dollars (\$10,000.00) or more of the budgeted costs and expenses in that Special Expenses line item (such threshold sum to be escalated annually on the anniversary of the Effective Date by any change in the Consumer Price Index for all Urban Consumers for Washington-Baltimore, DC-MD-VA-WV, or successor similar index) from the prior fiscal year of the Association, then, except for lines items related to maintaining the reserve account established under Section 5.1(g) which line items shall be fully funded, the approval of a budget for Special Expenses attributable to Unit No. 3, less and except those line item(s) for which Unit No. 3 Owner would be responsible for any increase above the specified limits specified above (unless approval of such qualifying line items is obtained from Unit No. 3 Owner as part of a Required Vote).

(iii) Termination of any license to any Unit Owner for use of areas of General Common Elements designated from time to time as Reserved Common Elements as permitted by and pursuant the Declaration.

(iv) Appointment of a Person as Managing Agent.

(v) Subject to Sections 5.6(c) and 5.6(d) of these Bylaws, approval of additions, alterations or improvements by the Unit Owners Association or by a Unit Owner within or to Limited Common Elements assigned to more than one Unit, and in or to areas granted to a Unit Owner by easement.

(vi) Election of a Person as an officer of the Association where there is a vacancy in the officer due to death, resignation or removal of the incumbent as provided for in Section 3.7 of these Bylaws to serve until an annual election is held as provided for in Section 3.6 of these Bylaws.

(vii) Approval of a physical modification to any of the Common Elements required to satisfy any obligation of the LDA, where approval has first been obtained in accordance with the provisions of the LDA for such proposed modification.

(viii) Approval of any budget related to General Expenses, pursuant to Sections 5.1(b) and (e), where the increase in the amount of General Expenses proposed in the budget for General Expenses for the forthcoming fiscal year does not exceed ten percent (10%) of the amount of the General Expenses in the approved budget for the current fiscal year, provided that (A) where that proposed budget for General Expenses contains any line item that reflects an increase of more than ten percent (10%) in the amount of any line item and Unit No. 3 Owner would be responsible for Ten Thousand and 00/100ths Dollars (\$10,000.00) or more of the budgeted costs and expenses in that line item (such threshold sum to be escalated annually on the anniversary of the Effective Date by any change in the Consumer Price Index for all Urban Consumers for Washington-Baltimore, DC-MD-VA-WV, or successor similar index), then approval only of that budget less and except that line item or those line items (unless approval of such qualifying line items is obtained from Unit No. 3 Owner by a Required Vote), and (B) where a budget line item relates to the installation of seasonal displays in General Common Elements, then notwithstanding the approval of the budget for General Expenses, Unit No. 2 Owner shall not be liable for its proportionate share of the costs thereof, unless Unit No. 2 Owner specifically agrees in participate in such costs in its approval of the budget for that fiscal year (with approval in one fiscal year not being deemed implied approval in subsequent fiscal years).

(ix) Approval of additions, alterations or improvements to General Common Elements by the Unit Owners Association or by a Unit Owner where Unit No. 3 would not be required to share in the cost and expense of the addition, alteration or improvement to the General Common Elements, except as to any addition, alteration or improvements to General Common Elements by Unit No. 1 Owner by Unit No. 1 Owner related to the incorporation into Unit No. 1 of Excess Development Rights in accordance with and subject to the Declaration and these Bylaws, including Section 5.6 hereof, which approval shall only require a Standard Majority Vote.

(x) Approval of any request received from public authorities or from a party not having a legal or beneficial interest in a Unit to participate in, contribute to or officially support an endeavor, including but not limited to undertaking improvements in public rights of way and spaces at the cost of the Unit Owners Association or support for the formation of a business improvement district or similar vehicle.

(xi) Disapproval, after the event of an eminent domain taking of Limited Common Elements, of (A) the undertaking of required and necessary repairs, restoration or alterations of impacted Limited Common Elements resulting from taking of other Limited Common Elements and (b) the application of any monies awarded in such taking of Limited Common Elements, and the contribution of such other additional funds of the Unit Owners Association as are necessary to complete such repairs, restoration or alterations (to the extent the allocated portion of the award for Limited Common Elements is not sufficient to cover the costs of required and necessary repair, restoration or alteration).

(xii) Approval of the placement, posting, display, installation of Identification Monuments in the General Common Elements, including the General Common Element components of the rotunda area of the Atrium Lobby.

(xiii) Approval of the manner of attachment and lighting, as well as the obligations for maintenance and repair of Identification Monuments located on or within Common Elements.

(xiv) Delegation to the Managing Agent to act on behalf of the Unit Owners Association with regard to the granting the approvals set forth in Section 3.2 (b) (xii) and (xiii) above, as well as for imposing conditions related to the manner of attachment, appropriate lighting, and obligations on a Unit Owner for maintenance and repair of approved Identification Monuments on or within Common Elements.

(xv) Taking any other action requiring a Special Majority Vote as specified in and pursuant to any provision of the Declaration or these Bylaws.

(c) Actions Requiring the Unanimous Vote of All Unit Owners. The following actions shall require Unanimous Vote:

(i) Termination of the regime of the Condominium.

(ii) Amendment of the Declaration or any exhibits thereto or the Plats and Plans, except for any amendment to the Declaration or any exhibits thereto, or to the Plans undertaken in each case pursuant to Section 2.5 of the Declaration where no Required Vote is necessary.

(iii) Amendment of these Bylaws or any exhibits thereto, including amendment or modification of Schedule A to these Bylaws.

(iv) Approval of any budget or budget line items related to the General Expenses, pursuant to Section 5.1 (b) and (e), where the increase in the amount of General Expenses proposed in the budget for General Expenses of the Unit Owners Association for the forthcoming fiscal year exceeds ten percent (10%) of the amount of the General Expenses in the approved budget for the current fiscal year, provided that where that proposed budget for General Expenses is ten percent (10%) or less, but contains one or more line items that note an increase of more than ten percent (10%) in the amount of the line item and Unit No. 3 Owner would be responsible for Ten Thousand and 00/100ths Dollars (\$10,000.00) or more of the budgeted costs and expenses in that line item (such threshold sum to be escalated annually on the

anniversary of the Effective Date by any change in the Consumer Price Index for all Urban Consumers for Washington-Baltimore, DC-MD-VA-WV, or successor similar index), then approval of such qualifying line items shall require the approval of Unit No. 3 Owner.

(v) Establishment of reasonable reserves for repairs, capital replacements or other capital expenditures or purposes as may be provided for in any budget for the Unit Owners Association adopted in accordance with Section 5.1(b) of these Bylaws.

(vi) Election of officers of the Association annually as provided by these Bylaws.

(vii) Borrowing of money in excess of 10% of the annual budget for General Expenses.

(viii) Leasing or licensing of areas within Unit No. 3, except as otherwise permitted by Section 6.1 of the Declaration (including, as provided in that Section leasing and licensing in accordance with the Declaration of Parking Operations).

(ix) Approving, authorizing or consenting to any change in the Permitted Uses of a Unit.

(x) Establishment of a subtier condominium regime within Unit No. 3.

(xi) Establishment of a subtier condominium regime within any Unit, other than Unit No. 3, where it can reasonably demonstrated and determined that additional material and substantive obligations would be imposed upon the Unit Owners Association as a result of the establishment of the subordinate condominium regime within that Unit, or there would be an alteration of the Common Element Interest allocation to any Unit.

(xii) Subdivision of Unit No. 3.

(xiii) Adoption of any changes to the baseline of security services to be provided with regard to Unit No. 3, regardless if those services are the responsibility of the Unit Owners Association or Unit No. 3 to supply;

(xiv) Approval of a transfer of control of security facilities and services with regard to Unit No. 3 as and when contemplated in accordance with Section 5.10 of these Bylaws.

(xv) Approval of any development proposal for the use of Excess Development Rights above the Building as provided for in, but subject to the provisions of Section 2.7(b) of the Declaration.

(xvi) Approval of any additions, alterations or improvements to General Common Elements by the Unit Owners Association or by a Unit Owner where Unit No. 3 would be required to share in the cost and expense of the addition, alteration or improvement to the General Common Elements and the same is not part of the approved budget for General Expenses of the Unit Owners Association, unless (a) such additions, alterations or improvements

to General Common Elements are otherwise permitted or provided for by the Declaration or these Bylaws without a Unanimous Vote, or (b) approval of a physical modification to the General Common Elements was required to satisfy an obligation of the LDA and approval of such proposed modification was first obtained in accordance with the provisions of the LDA.

(xvii) Approval of Alterations to a Unit as and when required under Section 5.7(b) of these Bylaws.

(xviii) Delegation of authority under Section 3.3 of these Bylaws to a Unit Owner, to the President-Treasurer, the Secretary, any Vice President or to the Managing Agent.

(xix) Disapproval, after the event of an eminent domain taking of General Common Elements, of (A) the undertaking of required and necessary repairs, restoration or alterations of impacted General Common Elements resulting from taking of other General Common Elements and (b) the application of any monies awarded in such taking of General Common Elements, and the contribution of such other additional funds of the Unit Owners Association as are necessary to complete such repairs, restoration or alterations (to the extent the allocated portion of the award for General Common Elements is not sufficient to cover the costs of required and necessary repair, restoration or alteration).

(xx) Approval of a greater depth of protrusion of any Identification Monument into Unit No. 3 from a vertical surface than is otherwise provided for in the Plans.

(xxi) Taking of any other action requiring a Unanimous Vote as specified in and pursuant to any provision of the Declaration or these Bylaws.

(d) Arbitration of Disputes Concerning Unit Owner Decisions on Actions or Matters.

(i) Except as hereinafter specified, where an action or matter is brought before the Unit Owners Association at a duly called meeting, and that action or matter requires a Special Majority Vote or a Unanimous Vote, then if the Unit Owners fail to agree upon an action or matter requiring such Special Majority Vote or a Unanimous Vote, then any Unit Owner or group of Unit Owners disputing the act or failure to act by the Unit Owners Association shall have as its sole remedy the right to submit the same to binding arbitration in accordance with the provisions of this Section 3.2(d). Notwithstanding the foregoing, this process of resolution of disputes among Unit Owners by binding arbitration shall not apply, to any action that seeks (A) to terminate the regime of the condominium, (B) to amend in any material respect the Declaration and its Exhibits, or (C) to amend in any material respect these Bylaws (other than an action seeking to amend Schedule A to these Bylaws, which dispute related to Schedule A shall be resolved by binding arbitration in accordance with the provisions of this Section 3.2(d)).

(ii) If the qualified Unit Owners fail to agree by Required Vote upon the action or matter in question at a meeting of the Unit Owners duly called for the purposes of considering such action or matter in accordance with these Bylaws, then any of Unit Owner or group of Unit Owners qualified to vote on the action or matter in question may, with ten (10) calendar days after the date of the meeting called to consider the action or matter, notify the other

qualified Unit Owner or Unit Owners in writing that it intends to request that a decision or determination on the action or matter be submitted to an arbitrator for consideration and determination or decision. If the qualified Unit Owners do not reach agreement or consensus on the action or matter within ten (10) days after the issuance and receipt of notice of intent to request a decision or determination on an action or matter by an arbitrator, then, except where these Bylaws provide for the appointment of a Designated Property Manager to make a decision or determination under Section 5.1 of these Bylaws, the qualified Unit Owner or Unit Owners shall select an independent Person to review the action or matter proposed to the Unit Owners as an arbitrator, such Person to be duly qualified either by professional credentials or demonstrated experience to be a Person qualified to evaluate, consider, review and determine the matter or matters upon which there is a lack of agreement by Required Vote. The arbitrator shall be authorized and directed to make the decision or the determination on the action or matter upon which the Unit Owners have not been able to agree by Required Vote. A Person to be duly considered to be the arbitrator shall have established professional credentials in or evidence of five (5) years of demonstrated experience in the subject matter that is the basis of the dispute or upon which there is a lack of agreement among the Unit Owners. Additionally where a person is to be considered based upon his or her experience in the subject matter in dispute or upon which there is not agreement, then he or she must have no less than five (5) years of such demonstrated experience in the Washington, D.C. metropolitan area. Only a person who has professional credentials or demonstrated experience with regard to the subject matter of the action or matter may be designated as an arbitrator. If the qualified Unit Owners cannot agree on such person within twenty (20) days after the issuance and receipt of the notice of intent to request a decision or determination on the action or matter by an arbitrator, then Allen J. Ross, Esq. of the law firm of Thelan Reid Brown Raysman & Steiner LLP is designated as the default arbitrator. Should Mr. Ross be unable or unwilling to participate in such role, then any of the qualified Unit Owners may apply to the American Arbitration Association or any successor thereto having jurisdiction to designate an independent, credentialed and appropriately trained person to be the arbitrator of the action or matter in dispute. If no qualified Unit Owner makes such application within the twenty (20) day period, then the action by the qualified Unit Owners on the action or matter at the meeting of the Unit Owners Association shall be deemed to stand.

(iii) The arbitrator may conduct such hearings or investigations as he or she may deem appropriate, including requesting presentations from each qualified Unit Owner. The arbitrator shall render his or her decision or determination as to the action or matter in dispute within twenty (20) days after his or her designation or twenty (20) days following a hearing called to discuss the matter in dispute.

(iv) In making his or her decision or determination, the arbitrator, whether as selected by the qualified Unit Owners or the American Arbitration Association, may only consider the alternative actions that were presented to the qualified Unit Owners for consideration at the meeting of the Unit Owners Association. The arbitrator may not select or choose an alternate course from what was presented to the qualified Unit Owners for consideration at that meeting.

(v) Where an action or matter is duly submitted to an arbitrator, the determination or decision of the arbitrator shall be binding upon the Unit Owners Association.

(vi) Each party shall pay its own consultant's fees, such as those of its legal counsel, and shall otherwise share the expenses of the arbitration, including any fees incurred to employ the arbitrator at the Default Share of each Unit Owner. Neither the fees of a party, nor the expenses of the arbitration shall be General Expenses of the Unit Owners Association. If the Unit Owners Association incurs any expenses in connection with such arbitration, the same shall be deemed Special Expenses chargeable to the Unit Owner or prorata to the Unit Owners involved.

(vii) A qualified Unit Owner shall mean as to a specific action or matter, where the Required Vote is a Special Majority Vote, Unit No. 1 Owner and Unit No. 2 Owner, and where the Required Vote is a Unanimous Vote, then all Unit Owners.

(viii) In the event that, before or after a decision or determination of an arbitrator selected pursuant to the provisions of the Section 3.2 (d) is rendered, the qualified Unit Owners reach agreement on the action or matter in dispute, and so notify the arbitrator in writing of the same, then the agreement of the qualified Unit Owners shall be deemed controlling, notwithstanding any decision or determination that may have been previously or may be rendered by the arbitrator. With the notification to the arbitrator of such agreement by the qualified Unit Owners prior to the time, a decision or determination is rendered, the arbitrator shall be deemed discharged of his or her obligations to so render a decision or a determination. Any such termination of the arbitrator and his or her services shall not discharge the qualified Unit Owners of their responsibility for the expenses of arbitration.

(ix) Until either an agreement is reached by the qualified Unit Owners on a action or matter presented for consideration or a decision or determination of the arbitrator is rendered, the status quo with regard to the operation of the Condominium on the action or matter in dispute shall be controlling and in full force and effect.

(x) Notwithstanding anything in this Section 3.2 to the contrary, where the failure to reach agreement relates to approval of a budget of General Expenses or approval of a budget for Limited Common Element Expenses, then the applicable provisions of the Section 5.1 of these Bylaws shall apply as to the lack of agreement by the Unit Owners by Required Vote.

Section 3.3. Delegation of Responsibilities for Performance of Powers and Duties of the Unit Owners Association. In the performance of the powers and duties of the Unit Owners Association identified in Section 3.1 above, the Unit Owners Association may delegate any or all of the same, by Required Vote, to one of the Unit Owners, to the President-Treasurer, the Secretary or any Vice President, or to the Managing Agent, affording that Person the authority to act on behalf of the Unit Owners Association on such matters which may arise, provided however that no such Person shall have authority to take any action for which these Bylaws provide that a Special Majority Vote, or a vote of all of the Unit Owners is required, without in each instance obtaining such Required Vote.

Section 3.4. Managing Agent; Employment of a Managing Agent. Employment of a Managing Agent. The Unit Owners Association shall hire a Person to serve as "managing agent" for the Condominium (the "Managing Agent"). The Unit Owners Association shall

select the Person to be the Managing Agent from time to time by a Required Vote, subject to the Person hired meeting or exceeding the requirements set forth in subsection (b) and (c) below of this Section.

(b) Management Agreement. The Person proposed to be hired as Managing Agent shall be hired only under an agreement for services (the "Management Agreement"), upon prevailing market terms for similar projects then in place in similar locations in Washington, D.C. for management and operation of high quality retail/commercial projects. Any Management Agreement entered into by the Unit Owners Association with a Person selected as Managing Agent may have a term of no more than three (3) years. At the expiration of the term of any Management Agreement with an incumbent Managing Agent, the Unit Owners Association may elect (i) to extend the term of the Management Agreement with the incumbent Managing Agent or in lieu thereof enter into a new Management Agreement, or (ii) to select another Person as the Managing Agent. Any compensation due and owing the Managing Agent under any Management Agreement with the Unit Owners Association may not be based upon profits that could be deemed to be either (iii) generated by the Unit Owners Association through the operation of the Condominium or (iv) generated by the Unit Owners through the operation of their respective Units. So long as the Bonds are outstanding and not retired, the Management Agreement must be in a form and in substance necessary to qualify as a qualified management contract under applicable law so as not to impair the tax exempt status of the Bonds. The Managing Agent may only be engaged under such form of qualified management contract until the Bonds are retired.

(c) Qualifications of Person for Position of Managing Agent. The Person to be designated as Managing Agent shall be a bona fide and duly licensed business enterprise, with substantial and strong credentials. Experience in the management of condominium associations, property owners associations, cooperative associations and similar types of entities shall also be a factor to be considered, but not a requirement, in evaluating a Person's capability to serve as the Managing Agent. The Person to be considered for hiring must be able to show that its employees possess a high level of competence in the technical skills necessary to proper management of the Condominium as a high quality retail/commercial project. The Managing Agent must be qualified to advise the Unit Owners Association and the Officers regarding the administrative operation of the Condominium and shall employ personnel knowledgeable in pertinent subject matter areas. The Unit Owners Association shall solicit bids from Persons satisfying the qualifications set forth above in this section; no Person shall be disqualified from consideration due to the fact that the Person may be an Affiliate of a Unit Owner. The property manager for Unit No. 1 shall be deemed a qualified candidate and acceptable as the initial Managing Agent, subject to the provisions of Section 3.4(b) above of these Bylaws.

(d) Duties. The Managing Agent shall perform such duties and services as the Unit Owners Association or the President-Treasurer shall direct, subject to undertaking those responsibilities within the frame work of the approved budget adopted by the Unit Owners Association in accordance with Section 5.1 of these Bylaws. As provided for in Section 3.3 above of these Bylaws, the Unit Owners Association may delegate to the Managing Agent all of the powers granted to the Unit Owners Association by these Bylaws, subject to the requirements of the Condominium Act and the provisions of Section 3.3 of

these Bylaws with regard to obtaining the Required Vote. The Managing Agent shall perform the assigned and delegated obligations, duties and services in compliance with the provisions of the Declaration or of these Bylaws, other than the powers set forth in subsection 3.1(b), with regard to the fixing of the amount of any assessment and in subsection 3.1(r), with regard to the borrowing of monies on behalf of the Condominium.

(e) Standards. The Management Agreement shall set forth appropriate standards of performance upon the Managing Agent consistent with its responsibilities for the management and operation of the Property as a high quality retail/commercial facility.

(f) Role and Duties of the Managing Agent. The Managing Agent shall:

(i) Provide at least the following services and functions, as well as such other services as the Unit Owners Association may designate:

(A) Employ both cash and an accrual method of accounting to determine General Expenses, Limited Common Element Expenses, and Special Expenses, in accordance with generally accepted accounting principles, consistently applied, subject however to the provisions of the Declaration or these Bylaws, as applicable; Special Expenses shall be accounted for separately from other Common Expenses.

(B) Provide two or more persons to be responsible for handling cash to maintain adequate financial control procedures.

(C) Prepare a budget for each fiscal year of the Unit Owners Association for General Expenses and Limited Common Element Expenses in accordance with the provisions of these Bylaws and as directed by the President-Treasurer for review and approval by the Unit Owners Association in accordance with the provisions of these Bylaws, which budget shall be submitted to the Unit Owners Association for its consideration no later than October 1 of each calendar year, all as more fully described in Section 5.1(b) and Section 5.1(c) of these Bylaws.

(D) Determine, and prepare a budget as appropriate, and then assess Special Expenses to various Unit Owners.

(E) Prepare and issue assessment notices of Common Expenses based upon the then approved budget of the Unit Owners Association for General Expenses and Limited Common Element Expenses, prepare and issue notice of Special Expenses, and in any case undertake collection activities thereon which assessments are not duly and timely paid.

(F) Prepare a monthly, consolidated financial report for the Unit Owners Association and distribute such report to all Unit Owners, which report shall contain, among other reports and recommendations for the Unit Owners, the following:

(1) an "income statement" reflecting all income activity for the General Common Elements and all expense activity for the Common Elements for the preceding month on an accrual basis;

(2) an “account activity statement” reflecting all receipt and disbursement activity for the preceding month on a cash basis;

(3) an “account status report” reflecting the status of all accounts in an “actual” versus “projected” (budget) format;

(4) a “balance sheet” reflecting the financial condition of the Unit Owners Association on an unaudited basis;

(5) a “budget variance report” reflecting any actual or pending obligations which are at variance to budgeted amounts;

(6) a “delinquency report” listing all Unit Owners who are delinquent in paying condominium assessments and describing the status of any actions to collect such assessments; and

(7) “bank reconciliation report” noting all savings and investment accounts of the Unit Owners Association.

(G) Prepare an annual, consolidated financial report promptly after the expiration of the fiscal year of the Unit Owners Association and shall distribute the same to the President-Treasurer and all Unit Owners, which report shall contain, among other reports and recommendations for the Unit Owners Association, the following:

(1) an “income statement” reflecting all income activity for the General Common Elements and expense activity of the Condominium for the preceding fiscal year on an accrual basis;

(2) an “account status report” reflecting the status of all accounts in an “actual” versus “projected” (budget) format;

(3) a “balance sheet” reflecting the financial condition of the Unit Owners Association on an unaudited basis;

(4) a “budget variance report” reflecting any actual or pending obligations which are at variance with budgeted amounts;

(5) a “delinquency report” listing all Unit Owners who are delinquent in paying condominium assessments and describing the status of any actions to collect such assessments; and

(6) a “bank reconciliation report” noting all savings and investment accounts of the Unit Owners Association.

(H) Assume on behalf of the Unit Owners Association any and all of the responsibilities assigned to or vested in the Unit Owners Association under the Declaration of Parking Operations as assigned or delegated to the Managing Agent from time to time by the Unit Owners Association.

(I) Assume on behalf of the Unit Owners Association, as delegated from time to time by the Unit Owners Association, any and all of the responsibilities for implementation and operation of the security program for the General Common Elements and for Unit No. 3 where the Unit Owners Association provides such services.

(J) Consult with the Unit Owners Association and/or the President-Treasurer on the manner of installation of Identification Monuments in or on the Common Elements as well as appropriate maintenance and repair conditions to be imposed with regard to the same.

(K) Undertake such other roles and responsibilities and provide such other services for the Unit Owners Association as designated by the Unit Owners Association.

(ii) In performing its responsibilities and duties, the Managing Agent may not:

(A) Commingle cash accounts of the Unit Owners Association with any other accounts managed by the Managing Agent.

(B) Accept remuneration from vendors, independent contractors or others providing goods or services to the Unit Owners Association whether in the form of commissions, finders fees, service fees or otherwise; any discounts and rebates received shall benefit the Unit Owners Association.

(C) Have any financial or other interest in any firm providing goods or services to the Unit Owners Association, unless the same shall be disclosed promptly to the President-Treasurer and to all Unit Owners, and any goods or services to be provided by such firm shall be offered to the Unit Owners Association at prevailing and competitive rates.

(g) **Property Management Services With Regard to Units.** The Managing Agent's duties under the Management Agreement shall not provide for the performance by the Managing Agent of property management duties for the benefit of a Unit Owner that are unique to any Unit and shall not include leasing duties related to the Unit of an individual Unit Owner, including leasing administration duties such as but not limited to the collection of revenues related to the leasing of any Unit or for such Unit's Limited Common Elements. The foregoing shall not be construed to prevent the Managing Agent from entering into a separate agreement with any Unit Owner for the performance of property management and leasing duties with regard to the Unit owned by that Unit Owner upon terms and provisions mutually agreeable to the Unit Owner and the Managing Agent; the Unit Owners Association shall have no liability for the same.

Section 3.5. Officers/Designation and Duties. The officers of the Unit Owners Association shall be the President-Treasurer and a Secretary, and if desired by the Unit Owners Association, one or more Vice Presidents (one of whom may be serve concurrently as Secretary). The President-Treasurer, the Secretary and each Vice President shall (i) perform such duties as are normally associated with such office in parliamentary organizations, except to the extent such duties are inconsistent with the Condominium Act or the Condominium Instruments; (ii) perform

such duties required to be performed by an officer pursuant to the provisions of the Condominium Act, the Declaration and these Bylaws; and (iii) perform such other duties as may be assigned to such officer by a Required Vote of the Unit Owners.

Section 3.6. Election of Officers. The President-Treasurer, the Secretary and each Vice President of the Unit Owners Association shall be elected annually by the Unit Owners Association by a Unanimous Vote and shall hold office at the pleasure of the Unit Owners Association. Except for death, resignation or removal, the President-Treasurer, Secretary and any Vice President shall hold office until his or her successor shall have been elected by the Unit Owners Association, as provided for above in this Section.

Section 3.7. Death, Resignation or Removal of Officer. In the event of the death or resignation of a person holding the office of President-Treasurer, Secretary or any Vice President, a successor shall be elected by Required Vote, and duly elected person in such role shall hold such office until the next election provided for under Section 3.6. Such person shall retain such office under a successor is so duly elected. With regard to the removal of any officer, the President-Treasurer, the Secretary and each Vice President may be removed, either with or without cause, by a Unanimous Vote.

ARTICLE 4 Amendments to Bylaws

Section 4.1. Amendments. Subject to the provisions of Section 4.2 below, these Bylaws may not be modified or amended except by a Unanimous Vote. All amendments to these Bylaws duly adopted shall be recorded among the land records of the Office of the Recorder of Deeds of the District of Columbia by the President-Treasurer.

Section 4.2. Approval of Mortgagees. Article 8 of these Bylaws contains 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 Article 8 of these Bylaws impairing or affecting such rights, priorities, remedies or interests of a Mortgagee shall be adopted without the prior written consent of each Mortgagee existing as of the date of recordation of such amendment or modification, if and to the extent that the provisions of the Mortgage with the Mortgagee require such applicable consent.

ARTICLE 5 Operation of the Building

Section 5.1. Budgeting For and Determination of General Expenses and Limited Common Element Expenses; Determination of Assessments to the Unit Owners for Common Expenses.

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

(b) Preparation and Approval of Budget for General Expenses.

(i) Prior to the first conveyance of legal title to the first Unit in the Condominium, Declarant shall determine a budget for the operation of the General Common Elements of the Condominium, which budget shall be in effect for the fiscal year in which this first conveyance of legal title to a Unit occurs; provided that if the first conveyance of legal title to a Unit occurs after September 30th of a calendar year, then Declarant shall also determine a budget for the operation of the General Common Elements of the Condominium for the next successive fiscal year of the Condominium.

(ii) Annually after the first fiscal year of the Condominium the Unit Owners Association shall cause the Managing Agent to prepare a budget for the General Common Elements for consideration of the Unit Owners. Prior to such consideration and adoption by the Unit Owners, the Managing Agent shall distribute a copy of the proposed budget to each Unit Owner no later than October 1 prior to the beginning of the fiscal year of the Association and during the period from the date of distribution of such proposed budget to the date of adoption thereof, each Unit Owner shall have the right to obtain information from the Managing Agent with respect to such proposed budget, to discuss the same with the Managing Agent and to express to the Unit Owners Association and the Managing Agent its views concerning the proposed budget.

(iii) Following the delivery of a proposed budget for the General Common Elements as provided in subsection (b)(ii) above of this Section, but no later than forty-five (45) days prior to the beginning of each fiscal year after the fiscal year in which the first conveyance of legal title to a Unit in the Condominium, the Unit Owners Association shall adopt a budget of the Unit Owners Association for the General Common Elements for the coming fiscal year by Required Vote. The budget shall be an estimate of the total amount considered necessary to (a) pay the cost of maintenance, management, operation, repair and replacement of the General Common Elements, including as may be identified on Schedule A to these Bylaws and the cost of wages, materials, insurance premiums, services, supplies and other expenses of the Condominium that may be declared to be General Expenses by the Condominium Act, the Declaration or these Bylaws, or other action by 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 (b) pay for the administration and operation of the Condominium and the Unit Owners Association as an entity. The proposed budget shall also estimate the assessment proposed for each Unit that would be due and payable by each Unit Owner for General Expenses for the coming fiscal year.

(iv) Such budget shall also include such reasonable amounts as the Unit Owners Association reasonably considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. Prior to the beginning of each fiscal year, the Unit Owners Association shall send to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the General Expenses payable by each Unit Owner. Such budget shall constitute the basis for determining each Unit Owner's assessment for the General Expenses of the Condominium.

(v) A budget for General Expenses for each fiscal year shall be adopted by Required Vote of the Unit Owners. Where the Unit Owners cannot reach agreement on the budget for General Expenses for the fiscal year, or specific line items thereof, within thirty (30) days after the commencement of the fiscal year, the President-Treasurer shall initiate the processes provided for in Section 3.2 (d) of these Bylaws, looking to having appointed an independent qualified property manager unaffiliated with any Unit Owner or the Managing Agent, (the "Designated Property Manager") to review, as applicable, the proposed budget for General Expenses being considered by the Unit Owners, or such line items thereof upon which the Unit Owners cannot reach agreement. A Person to be considered as a Designated Property Manager shall be licensed in the District of Columbia as a property manager and shall have at least ten (10) years of professional experience with budgeting for the operations of complex commercial real estate comparable to the Building in the Washington, D.C. metropolitan area. Based upon the review and analysis by the Designated Property Manager, the Designated Property Manager shall submit to the Unit Owners Association, as applicable, a budget for General Expenses for the then current fiscal year, or a decision on such line items upon which agreement cannot be reached. The budget or decision on such line items as submitted by the Designated Property Manager shall become the budget, or part of the otherwise approved budget, as applicable, for General Expenses of the Unit Owners Association for that fiscal year. No further action by the Unit Owners shall be required. The Unit Owners Association shall be obligated to pay the fee of the Designated Property Manager, such fee to be incorporated into the budget for General Expenses as submitted. Each Unit Owner shall have the opportunity to present to the Designated Property Manager its concerns with regard to the proposed budget for General Expenses or, as applicable, the line items upon which agreement has not been reached. The Designated Property Manager shall complete its review of the proposed budget or the line items in question, and the related analysis of the operations of the Condominium, and then submit its budget for the General Expenses, or decision on specific line items, for the fiscal year in question within forty-five (45) days after being designated as the Designated Property Manager. The fees and costs of the Designated Property Manager shall be shared by the Unit Owners at the Default Share of each Unit Owner.

(vi) Where the Unit Owners Association fails to duly and timely adopt in whole a budget for General Expenses of the Unit Owners Association, or cannot reach agreement on specific line items thereof, then, until such time as (A) a budget for the applicable fiscal year is adopted, where the budget in its entirety cannot be agreed upon, or (B) a decision on specific line items thereof cannot be agreed upon, the Unit Owners Association, or as applicable the authorized Unit Owner(s), shall be authorized to continue to operate the General Common Elements during the forthcoming fiscal year pursuant to and under, as applicable, (i) the budget for the then current fiscal year increased and escalated by five percent (5%), or (ii) the portion of the proposed budget for the forthcoming fiscal year upon which agreement was reached, other than the line items upon which agreement could not be reached. With regard to those line items upon which there is not agreement, if there was a comparable line item in the then current fiscal year, then the amounts in the comparable line item of the budget for the then current fiscal year shall apply, increased and escalated by five percent (5%) of that line item amount. The then the augmented current fiscal year budget, or if applicable the proposed budget, adjusted for those line items upon which agreement could not be reached as provided above, shall be the budget for the Unit Owners Association in the forthcoming fiscal year (the "Interim Budget for General Expenses") until a complete budget is finalized pursuant to Section 5.1(b)(5)

above. To the extent that any complete budget is finalized pursuant to Section 5.1(b)(v) after an Interim Budget for General Expenses was established, then the Unit Owners shall be assessed, and shall be obligated to pay assessments levied by the Unit Owners Association based upon the Interim Budget for the General Expenses, as modified, until an approved and completed budget for the forthcoming fiscal year has been agreed upon or determined. At that time, the Unit Owners Association shall adjust the assessments to be levied to reflect the approved and completed budget, including any reconciliation thereof with the Interim Budget and assessment made by Unit Owners thereunder.

(c) Preparation and Approval of Budget for Limited Common Element Expenses.

(i) Prior to the first conveyance of legal title to the first Unit in the Condominium, Declarant shall determine a budget for the operation of the Limited Common Elements of the Condominium, which budget shall be in effect for the fiscal year in which this first conveyance of legal title to a Unit occurs; provided that if the first conveyance of legal title to a Unit occurs after September 30th of a calendar year, then Declarant shall also determine a budget for the operation of the Limited Common Elements of the Condominium for the next successive fiscal year of the Condominium.

(ii) Annually after the first fiscal year of the Condominium the Unit Owners Association shall cause the Managing Agent to prepare a budget for the Limited Common Elements for consideration of the Unit Owners. Prior to such consideration and adoption by the Unit Owners, the Managing Agent shall distribute a copy of the proposed budget to each Unit Owner no later than October 1 prior to the beginning of the fiscal year of the Association and during the period from the date of distribution of such proposed budget to the date of adoption thereof, each Unit Owner shall have the right to obtain information from the Managing Agent with respect to such proposed budget for the Limited Common Elements, to discuss the same with the Managing Agent and to express to the Unit Owners Association and the Managing Agent its views concerning the proposed budget for the Limited Common Elements.

(iii) Following the delivery of a proposed budget as provided in subsection (c)(ii) above of this Section, but no later than forty-five (45) days prior to the beginning of each fiscal year after the fiscal year in which the first conveyance of legal title to a Unit in the Condominium, the Unit Owners Association shall adopt a budget of the Unit Owners Association for the Limited Common Elements for the coming fiscal year. The budget shall be an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Limited Common Elements for the ensuing fiscal year, including as identified on Schedule A to these Bylaws and the cost of wages, materials, insurance premiums, services, supplies and other expenses of the Condominium that may be declared to be Limited Common Element Expenses by the Condominium Act, the Declaration or these Bylaws. The proposed budget shall also estimate the assessment proposed for each Unit that would be due and payable by each Unit Owner for the various Limited Common Element Expenses for the coming fiscal year.

(iv) Such budget shall also include such reasonable amounts as the Unit Owners Association reasonably considers necessary to provide working capital, an operating reserve and reserves for contingencies and replacements for Limited Common Elements. Prior to the beginning of each fiscal year, the Unit Owners Association shall send to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the Limited Common Element Expenses. Such budget shall constitute the basis for determining each Unit Owner's assessment for the Limited Common Element Expenses of the Condominium, due and payable by each Unit Owner, as applicable.

(v) A budget for Limited Common Element Expenses for each fiscal year shall be adopted by Unit Owners by Required Vote. Where a line item in a proposed budget for Limited Common Element Expenses includes a line item for a Limited Common Element assigned to Unit No.3, then Required Vote as to that line item shall be deemed to include the need to obtain a vote of approval by Unit No. 3 Owner with regard that line item, but not as to the rest of any proposed budget for Limited Common Element Expenses. Where a Required Vote cannot be achieved to approve the budget for Limited Common Element Expenses for the fiscal year, or on one or more specific line items thereof, within thirty (30) days after the commencement of the fiscal year, the President-Treasurer shall initiate the processes provided for in Section 3.2 (d) of these Bylaws, looking to have appointed a Designated Property Manager to review, as applicable, the proposed budget for Limited Common Element Expenses being considered by the Unit Owners, or such line items thereof upon which the Unit Owners cannot obtain a Required Vote. Based upon the review and analysis by the Designated Property Manager, the Designated Property Manager shall submit to the Unit Owners Association, as applicable, a budget for Limited Common Element Expenses for the then current fiscal year, or a decision on such line items upon which a Required Vote to approve could not be achieved. The budget, or the decision on such line items, as submitted shall become the budget, or part of the otherwise approved budget, for Limited Common Element Expenses of the Unit Owners Association for that fiscal year. No further action by the Unit Owners shall be required. The Unit Owners Association shall be obligated to pay the fee of the Designated Property Manager, such fee to be incorporated into the budget for Limited Common Element Expenses as submitted. Each Unit Owner shall have the opportunity to present to the Designated Property Manager its concerns with regard to the proposed budget for Limited Common Element Expenses, or as applicable, the line items upon which the Required Vote could not be obtained. The Designated Property Manager shall complete its review of the proposed budget, or as applicable such line items upon which a Required Vote could not be achieved, and related analysis of the operations of the Condominium, and then submit its budget for the Limited Common Element Expenses, or the line items in question, for the fiscal year in question within forty-five (45) days after being designated as the Designated Property Manager.

(vi) Where the Unit Owners Association fails to duly and timely adopt in whole a budget for Limited Common Element Expenses, or cannot reach agreement on specific line items thereof, then, until such time as (i) a budget for the applicable fiscal year is adopted, where the budget in its entirety cannot be agreed upon, or (ii) a decision on specific line items thereof cannot be agreed upon, the Unit Owners Association, or the impacted Unit Owners, as applicable, shall be authorized to continue to operate the Limited Common Elements during the forthcoming fiscal year pursuant to and under, as applicable, (i) the budget for the then current fiscal year during the forthcoming fiscal year, or (ii) the portion of the proposed budget

for the forthcoming fiscal year upon which agreement was reached, other than the line items upon which agreement could not be reached. With regard to those line items on which there is not agreement, if there was a comparable line item in the then current fiscal year, then the amounts in the comparable line item of the budget for the then current fiscal year shall apply. The then current fiscal year budget, or if applicable the proposed budget, adjusted for those line items upon which agreement could not be reached as provided above, shall be the budget for Limited Common Elements in the forthcoming fiscal year until a complete budget is finalized pursuant to Section 5.1(c)(v) above. The Unit Owners shall be assessed, and shall be obligated to pay assessments levied by the Unit Owners Association based upon that continuing budget for the Limited Common Element Expenses, as modified, until the completed budget for the forthcoming fiscal year has been agreed upon or determined, in which case the Unit Owners Association shall adjust the assessments to be levied to reflect that budget, including any reconciliation thereof with the prior continuing budget.

(d) Preparation of Budget(s) for Known or Anticipated Special Expenses.

Prior to the first conveyance of legal title to the first Unit in the Condominium, Declarant shall determine one or more budgets for known or anticipated Special Expenses for the current and next succeeding fiscal year of the Condominium.

(i) Annually after the first fiscal year of the Condominium the Unit Owners Association shall cause the Managing Agent to prepare one or more budgets for known or anticipated Special Expenses for appropriate consideration of the Unit Owners as provided for by these Bylaws. Prior to such consideration and adoption by the Unit Owners, the Managing Agent shall distribute a copy of the proposed budget(s) for Special Expenses to each Unit Owner no later than October 1 prior to the beginning of the fiscal year of the Association and during the period from the date of distribution of such proposed budget to the date of adoption thereof, each Unit Owner shall have the right to obtain information from the Managing Agent with respect to such proposed budget(s) for the known or anticipated Special Expenses, to discuss the same with the Managing Agent and to express to the Unit Owners Association and the Managing Agent its views concerning the proposed budget for Special Expenses.

(ii) Following the delivery of any proposed budget for known or anticipated Special Expenses as provided in subsection (d)(i) above of this Section, but no later than forty-five (45) days prior to the beginning of each fiscal year after the fiscal year in which the first conveyance of legal title to a Unit in the Condominium, the budget(s) for those known or anticipated Special Expenses shall be adopted for the coming fiscal year. A budget is to be only an estimate of the total amount considered necessary to pay the Special Expenses of a Unit Owner. The proposed budget will also seek to estimate any periodic or regular assessment for Special Expenses that a Unit Owner may be asked to pay during the coming fiscal year. Such budget may also include such amounts as the Unit Owners Association reasonably considers necessary to provide reserves for Special Expenses of a Unit Owner that the Unit Owners Association would be expected to incur.

(iii) A budget for known or anticipated Special Expenses for each fiscal year shall be adopted by Unit Owners by Required Vote. Where a line item in a proposed budget for Special Expenses is for or includes a line item for Special Expenses that would be payable by Unit No.3 Owner, then any Required Vote as to that line item shall be deemed to include the

need to obtain a vote of approval by Unit No. 3 Owner with regard that line item, but not as to the rest of any proposed budget for Special Expenses. Where a Required Vote cannot be achieved to approve the budget for Special Expenses for the fiscal year, or on one or more specific line items thereof, within thirty (30) days after the commencement of the fiscal year, the President-Treasurer shall initiate the processes provided for in Section 3.2 (d) of these Bylaws, looking to have appointed a Designated Property Manager to review, as applicable, the proposed budget for Special Expenses, or the line items thereof upon which a Required Vote cannot be obtained. Based upon the review and analysis by the Designated Property Manager, the Designated Property Manager shall submit to the Unit Owners a budget for Special Expenses for the then current fiscal year, or a decision on such line items upon which a Required Vote to approve could not be achieved. The budget, or the decision on such line items, as submitted shall become the budget, or part of the otherwise approved budget, for Special Expenses for that fiscal year. No further action by the Unit Owners shall be required. The Unit Owners Association shall be obligated to pay a fee to the Designated Property Manager for its services in this regard, such fee to be incorporated into the budget for Special Expenses as submitted. Each Unit Owner shall have the opportunity to present to the Designated Property Manager its concerns with regard to the proposed budget for Special Expenses, or as applicable, the line items upon which the Required Vote could not be obtained. The Designated Property Manager shall complete its review of the proposed budget, or as applicable such line items upon which a Required Vote could not be achieved, and related analysis of the operations of the Condominium, and then submit its budget for the Special Expenses, or the line items in question, for the fiscal year in question within forty-five (45) days after being designated as the Designated Property Manager.

(iv) Where there is a failure to adopt a budget for known or anticipated Special Expenses or any line item thereof in accordance with these Bylaws, then, until such time as (i) a budget for the applicable fiscal year is adopted, where the budget in its entirety cannot be agreed upon, or (ii) a decision on specific line items thereof cannot be agreed upon, the Unit Owners Association, or the impacted Unit Owners, as applicable, shall be authorized to continue to operate during the forthcoming fiscal year pursuant to and under, as applicable, (i) the budget for Special Expenses the then current fiscal year during the forthcoming fiscal year, or (ii) the portion of the proposed budget for Special Expenses for the forthcoming fiscal year upon which agreement was reached, other than the line items upon which agreement could not be reached. With regard to those line items on which there is not agreement, if there was a comparable line item in the then current fiscal year, then the amounts in the comparable line item of the budget for the then current fiscal year shall apply. The then current fiscal year budget, or if applicable the proposed budget, adjusted for those line items upon which agreement could not be reached as provided above, shall be the budget for Special Expenses in the forthcoming fiscal year until a complete budget is finalized pursuant to this Section 5.1(d). The appropriate Unit Owners shall be assessed, and shall be obligated to pay assessments levied by the Unit Owners Association based upon that continuing budget for the Special Expenses, as modified, until the completed budget for the forthcoming fiscal year has been agreed upon or determined, in which case the Unit Owners Association shall adjust the assessments for Special Expenses to be levied to reflect the approved budget(s) for Special Expenses, including any reconciliation thereof with the prior continuing budget.

(v) Once a budget of known or anticipated Special Expenses is approved or deemed approved, the Unit Owners Association shall send a copy of the adopted budget for Special Expenses to each affected Unit Owner.

(vi) It is recognized that any budget for Special Expenses can only be one for those known or reasonably anticipated Special Expenses. Should other expenses that would be treated as Special Expenses arise during the fiscal year, and the Unit Owners Association incurs the same, then the Unit Owners Association may charge off the same to the responsible Unit Owner(s) notwithstanding that the expense was not included in the budget for known or anticipated Special Expenses for a fiscal year.

(e) Determination and Assessment of General Expenses. Based upon the budget for General Expenses adopted pursuant to Section 5.1(b), the Unit Owners Association shall determine each Unit Owner's assessment for General Expenses (to the extent the same can be reasonably identified) and any contributions to any reserves for General Expenses established by the Unit Owners Association from time to time, based upon the Common Element Interests Table attached as Exhibit B to the Declaration; each Unit Owner shall then be assessed that amount toward its obligation for General Expenses for the coming fiscal year of the Unit Owners Association subject to audit and reconciliation as provided for in subsection (i) of this Section.

(f) Determination and Assessment of Limited Common Element Expenses. Based upon the budget for Limited Common Element Expenses adopted pursuant to Section 5.1(c), the Unit Owners Association shall determine each Unit Owner's assessment for Limited Common Element Expenses, based upon the Schedule A or the applicable provisions the Declaration; each Unit Owner shall then be assessed that amount toward its obligation for Limited Common Element Expenses for the coming fiscal year of the Unit Owners Association subject to audit and reconciliation as provided for in subsection (i) of this Section.

(g) Determination and Assessment of Special Expenses.

(i) As and to the extent incurred from time to time, the Unit Owners Association shall also determine by Required Vote a Unit Owner's assessment for Special Expenses in accordance with the provisions of the Declaration, these Bylaws and the Declaration of Parking Operations, as applicable, as well as establishing an reasonable reserve account(s) to cover anticipated Special Expenses that would assessed to any Unit Owner.

(ii) The reserve account(s) established by a Unit Owner for Special Expenses may be drawn upon by the Unit Owners Association at any times where a Unit Owner, who is liable for the payment of Special Expenses, fails to timely reimburse the Unit Owners Association for such Special Expenses after due notice from the Unit Owners Association requesting payment. If the Unit Owners Association does draw upon a reserve, it shall advise the Unit Owner of the draw that was made, and that Unit Owner thereafter shall be liable to reinstate the amount of the reserve account to the level that existed prior to the draw being made by the Unit Owners Association within thirty (30) calendar days of receipt of the notice of draw issued by the Unit Owners Association having been received by the Unit Owner.

(iii) So long as the District of Columbia or an affiliated governmental entity is subject to the provisions of Section 446 of the District of Columbia Home Rule Act and the federal Anti-deficiency Act referenced in Section 9.2(e) of these Bylaws, then the Unit Owners Association may not impose upon the District of Columbia or its affiliated governmental entity as the Unit No. 3 Owner any reserve account obligation for Special Expenses as otherwise permitted pursuant to the provisions of this Section 5.1(g).

(h) Payment of Assessments.

(i) With regard to assessments for General Expenses and Limited Common Element Expenses, 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 Unit Owners Association or, as designated by the Unit Owners Association, the Managing Agent, in advance, one-twelfth of the each Unit Owner's assessments for General Expenses and for Limited Common Element Expenses based upon the applicable budget for that fiscal year.

(ii) With regard to Special Expenses, on or before the tenth (10th) day following the receipt by a Unit Owner of a written notice from the Unit Owners Association or, as designated by the Unit Owners Association, the Managing Agent, of an assessment by the Unit Owners Association for Special Expenses accompanied by documentation reasonably sufficient to justify and support the assessment of the Special Expenses, the Unit Owner shall pay to the Unit Owners Association the billed assessment for Special Expenses.

(i) Assessment as a Lien. Any assessment for Common Expenses, including for Special Expenses, made by the Unit Owners Association shall be a lien against each Unit Owner's Unit as provided in Section 9.2 of these Bylaws.

(j) Audit and Annual Reconciliation. Within ninety (90) days after the end of each fiscal year, the Unit Owners Association shall retain the services of an reputable and recognized accounting or certified public accountant unaffiliated with any Unit Owner or the Property manager and retained on a non-contingent fee basis, as may be agreed upon by the Unit Owners Association by Standard Majority Vote to audit the financial books and records of the Unit Owners Association with regard to the operation of the Building and the Association. Upon completion of the audit, the Unit Owners Association shall supply a copy of the completed audit to each Unit Owner. Thereafter the Unit Owners Association shall prepare, based upon the audit, a reconciliation report for each Unit Owner and deliver the same to each Unit Owner, noting the total Common Expenses accrued by the Unit Owners Association for the prior fiscal year, the Unit Owner's share of General Expenses and the Unit Owner's share of Limited Common Element Expenses, the application of the Unit Owner's assessment payments made during that fiscal year for its share of General Expenses and its share of Limited Common Element Expenses, and a statement of the net amount over or short of such Unit Owner's liability for General Expenses and for Limited Common Element Expenses for that year. Any amount accumulated in excess of the amounts required to pay the Unit Owner's share of General Expenses and Limited Common Element Expenses shall be distributed to the Unit Owner, less any amounts of any kind or nature assessed under the Declaration or these Bylaws then currently due and owing to the Unit Owners

Association by that Unit Owner. Unless the Unit Owners Association directs otherwise, any net shortage in the amount actually due by a Unit Owner and unpaid for that fiscal year shall be assessed promptly against the Unit Owner. The Unit Owner shall pay such shortage in full to the Unit Owners Association with payment to the Unit Owners Association of the next periodic assessment for Common Expenses that is due more than ten (10) days after delivery of the reconciliation report and the notice of such further assessment.

(k) Unit Owner Audit. Following receipt of the reconciliation report and notice of further assessment as provided in subsection (i) of this Section, each Unit Owner shall have the option, on behalf of itself or on behalf of any tenant or other occupant of its Unit, to audit at its sole expense the Unit Owner Association's books and records for the just completed fiscal year as the same relate to the determination of Common Expenses, including Special Expenses, for the fiscal year, subject however to the provisions of this Section 5.1(j). A Unit Owner that desires to conduct an audit must give notice of its intent to conduct an audit no later than one hundred fifty (150) days after the date of its receipt of the reconciliation report. A filing of a request to audit with the Unit Owners Association does not relieve the Unit Owner from its obligation to pay any shortage assessment issued to the Unit Owner with the delivery of the reconciliation report. The audit may be conducted either directly by the Unit Owner or by an independent certified public accounting firm offering a full range of accounting services retained on a non-contingent fee basis, at no expense to the Unit Owners Association. Any such audit shall be conducted at reasonable times, upon reasonable notice, to the Unit Owners Association and to the Managing Agent. If a request to audit is timely received by the Unit Owners Association or the Managing Agent from a Unit Owner, then the Unit Owners Association's books and records as to Common Expenses shall be made available for up to one hundred twenty (120) days after the date of receipt by the Unit Owners Association of the Unit Owner's request to audit the books and records of the Unit Owners Association. A Unit Owner may only audit the most recent fiscal year for which it received the Unit Owners Association's audit and reconciliation report and may not audit any fiscal year more than once; provided that if a Unit Owner's audit determines that (i) the Unit Owners Association overstated a particular line item and (ii) (A) such overstatement arose from an error in the methodology of calculating General Expenses, Limited Common Element Expenses or both (as opposed to a one-time overstatement) or (B) such overstatement was by more than five percent (5%), then, by written notice to the Unit Owner, delivered to the Unit Owners Association within one hundred eighty (180) days after the receipt of the Unit Owners Association's reconciliation report, the Unit Owner may audit such line item with respect to the previous two (2) years (it being agreed, however, that the discovery of errors in such two (2) prior years shall not, in turn, permit the audit of any additional years).

(l) Adjustments. Where an audit reveals an error and General Expenses had been inappropriately assessed among the Unit Owners or to a Unit Owner, then the President-Treasurer shall as appropriate make special assessments against Unit Owner(s) where there is a noted deficiency in payment of its/their obligations for General Expenses, and credit overpayments by a Unit Owner(s) for General Expenses to assessments next due and payable until such time as the overpayment is cleared. Where an audit reveals an error and Limited Common Element Expenses had been inappropriately assessed among the appropriate Unit Owners or to a Unit Owner, then the President-Treasurer shall as

appropriate make special assessments against other responsible Unit Owner(s) for the Limited Common Element Expenses where there is a noted deficiency in payment of its/their obligations for Limited Common Element Expenses, and credit overpayments by a Unit Owner(s) for Limited Common Element Expenses to assessments next due and payable until such time as the overpayment is cleared. Where an audit reveals an error in the assessment of Special Expenses, then the President-Treasurer shall, as appropriate make a special assessment for Special Expenses to the Unit Owner in question, or credit any overpayment by a Unit Owner for any overcharge of Special Expenses to the next assessment of Special Expenses of that Unit Owner until such time as the overpayment is cleared.

(m) Confidentiality. To the extent permitted by law, a Unit Owner shall (and shall cause its employees, agents and consultants to) use commercially reasonable efforts to keep the results of any such audit or audited statements strictly confidential, provided however a Unit Owner may disclose the same to (i) any tenant or other occupant of its Unit, where such tenant or other occupant will be responsible for Common Expenses pursuant to a business arrangement between that Unit Owner and such tenant or other occupant, (ii) current Mortgagee or bondholder of the Bonds (in the case of Unit No. 3), where provided for by the applicable Mortgage or Bonds, or (iii) a proposed purchaser under a executed contract for purchase and sale of a Unit, a prospective Mortgagee under an executed loan commitment letter to provide financing to a Unit Owner, where such financing is to be secured by a Unit, or in the case of Unit No. 3 to a prospective bondholder in conjunction with any refinancing of the Bonds, provided that in each case under this item (ii) either a confidentiality agreement in form reasonably acceptable to the Unit Owners Association is entered into by the prospective purchaser, prospective Mortgagee, or prospective bondholder, provided that in the case of a prospective Mortgagee or bondholder, where, after the Unit Owner's diligent, good faith efforts, the prospective Mortgagee or bondholder refuses to execute such agreement the audit or audited statements are delivered to the prospective Mortgagee or bondholder by the Unit Owner under a covering transmittal letter imposing a confidentiality obligation upon the prospective Mortgagee or bondholder by acceptance of the same. As and to the extent disclosure is required at law to a governmental agency or by order of a court of competent jurisdiction, then the restrictions of this section shall be deemed waived, but solely and only to the extent to permit compliance with such law or order.

(n) Accrual Basis of Accounting. The Unit Owners Association shall compute the Common Expenses in any audit and the reconciliation report on an accrual basis in accordance with generally accepted accounting principles, consistently applied.

(o) Accounts. All sums collected by the Unit Owners Association from Unit Owners with respect to assessments for Common Expenses or from any other source received by the Unit Owners Association may be commingled into a single fund.

Section 5.2. Payment of Common Expenses.

(a) Each Unit Owner shall pay the Common Expenses assessed by the Unit Owners Association against that Unit Owner pursuant to the provisions of Section 5.1 hereof.

(b) No Unit Owner may be exempted from liability for the assessment for General Expenses, nor relieved from liability for Limited Common Element Expenses or Special Expenses, by reason of waiver of the use or enjoyment of any of the General Common Elements or any Limited Common Elements, or by abandonment of the Unit.

(c) No Unit Owner shall be liable for the payment of any part of the Common Expenses accruing against the Unit subsequent to the date of recordation of a conveyance by such Unit Owner in fee of such Unit, but such assessment for accrued and unpaid Common Expenses shall become the liability and obligation of the transferee of such Unit.

(d) Prior to or at the time of any such conveyance of a legal title in a Unit, all liens, unpaid charges and assessments shall be paid in full and discharged.

(e) Where the District of Columbia is Unit No. 3 Owner, the Unit Owners Association may rely upon the fact that the District of Columbia Quick Payment Act of 1984, as amended from time to time (and implementing regulations thereof) applies to the prompt payment assessments for Common Expenses due and owing to the Unit Owners Association by Unit No. 3 Owner and may seek compliance by Unit No. 3 Owner with the provisions thereof as provided by that Act.

Section 5.3. Collection of Assessments.

(a) The Unit Owners Association may take such action as it deems necessary or appropriate to collect any assessments for any Common Expenses due to the Unit Owners Association from any Unit Owner which remain unpaid for more than ten (10) days from the due date for payment thereof. Any assessment, or installment thereof, not paid by a Unit Owner within ten (10) days after due shall accrue a late charge of five percent (5%) of the amount of the delinquent assessment or such other amount as may be established from time to time by the Unit Owners Association with the approval of a Standard Majority Vote. Additionally any assessment, or installment thereof, not paid by a Unit Owner when due to the Unit Owners Association shall accrue interest at the rate of 400 basis points above the prime rate as published in the *Wall Street Journal* compounded annually, provided that so long as the District of Columbia is Unit No. 3 Owner then in lieu of the rate of interest fixed above, the rate of interest accruing on any assessment or installment not paid by Unit No. 3 Owner shall be at a rate as fixed in and pursuant to the District of Columbia Quick Payment Act of 1984, as amended from time to time (and implementing regulations thereof). Notwithstanding the foregoing, in the event that the Unit Owners are not advised of the amount of any assessment at least thirty (30) days prior to the due date thereof, no enforcement action may be taken against such Unit Owner, and no late charge shall be payable by such Unit, unless such assessment remains unpaid after the later of (i) the expiration of ten (10) days after the due date or (ii) the expiration of thirty (30)

days after the date such Unit Owner has received written notice of the amount of such assessment.

(b) To the extent that any Unit Owner has advanced funds to the Unit Owners Association to cover another Unit Owner's share of Common Expenses, and thereafter the Unit Owners Association receives payment of Common Expenses due and owing by the other Unit Owner, then the Unit Owners Association, once it receives such payment, shall thereafter promptly reimburse each Unit Owner who had previously advanced funds to the Unit Owners Association to cover the delayed payment of Common Expenses by a Unit Owner, such reimbursement to be made in order of when funds were advanced by all Unit Owners who advanced funds to cover a Unit Owner's share of Common Expenses.

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

Section 5.5. Operation, Maintenance, Repair, and Replacement of Common Elements, Easements and Units.

(a) By the Unit Owners Association.

(i) Except as otherwise specifically provided for in the Declaration or by these Bylaws, including Schedule A hereof, the Unit Owners Association shall be responsible for the operation, maintenance, repair and replacement of all of the General Common Elements as defined in the Declaration or identified in Schedule A, whether located inside or outside of one or more of the Units, or within or part of Limited Common Elements, as well as a base level of services in the Common Elements and each Unit as more specifically identified below in this Subsection (a). Except as otherwise shown on Schedule A, the General Expenses for the operation, maintenance, and repair services incurred by the Unit Owners Association shall be allocated to each Unit Owner based upon the Common Element Interest assigned to its Unit. With regard to the operation and maintenance of the Common Elements and delivery of the baseline services in the Common Elements and the Units, the Unit Owners Association shall provide at a minimum the following services to the Unit Owners, all in a manner commensurate with the manner in which such services are provided in high quality retail/commercial buildings of an age comparable to the Building located in the Washington, D.C. metropolitan area, and for the purposes of this Section 5.5(a) the age of the Building shall be determined without regard to the historic facades and other pre-existing structural elements of the Building:

(A) Facilities for delivery and provision of hot and cold water in and to Units and Common Element areas if the Buildings, it being understood and agreed that delivery of water shall be furnished by Unit Owners Association only to and at those points of supply provided for general use of those Unit Owners, including wet stacks located in the General Common Elements.

(B) Automatically operated elevator service for elevators in General Common Element areas at all times.

(C) Cleaning/janitorial services for the interior General Common Element areas, and provision of supplies for the operation of such areas, such as but not limited to lavatory supplies for General Common Element bathrooms.

(D) Landscaping services and cleaning services for exterior General Common Elements.

(E) Heat and air-conditioning in season for interior General Common Element areas of the Building during the period one hour prior and one hour after the normal business hours of Unit No. 1 and Unit No. 2.

(F) Comprehensive maintenance and repair services for the exterior and interior General Common Element areas of the Building, including but not limited to the exterior walls and roof of the Building.

(G) Security services for General Common Element areas of the Building, as well as for Unit No. 3, including the off street parking operations located therein, subject to the provisions of Section 5.10, such security for the General Common Element areas and Unit No. 3 to be maintained and operated from time to time at a level comparable to other high quality retail/commercial buildings in the Washington, D.C. metropolitan area, provided that the Unit Owners Association shall have no responsibility for the provision of security services for Unit No. 1 and Unit No. 2 and any business operations therein.

(H) Electricity service and proper electrical facilities to furnish sufficient electricity for the General Common Elements and, as applicable, to support the operation of the Unit Owner's equipment in its Unit, as well as for the operation of equipment of such Unit Owner's tenants and other occupants of its Unit if separate service cannot be obtained directly from the electricity provider; provided that a Unit Owner shall then be liable to the Unit Owners Association for the cost of electricity and for the cost of necessary facilities required to supply same, with those costs being Special Expenses of the Unit Owner, and not as General Expenses. Where the Unit Owners Association supplies such electricity to a Unit, the Unit Owners Association shall install a separate meter for the Unit or a portion thereof, and the Unit Owner shall pay, or cause payment of, the cost of electricity it consumes as recorded by such meter either to the Unit Owners Association as Special Expenses, or directly to the electricity provider, if the same is feasible.

(ii) The cost of the operation, maintenance, repair and replacement of General Common Elements by the Unit Owners Association shall be charged to all Unit Owners as a General Common Expenses, unless the Declaration or these Bylaws (including Schedule A attached hereto) specifically provides that one or more, but less than all Unit Owners are to be charged for the same as Limited Common Element Expenses, or Special Expenses, as applicable.

(iii) Each Unit Owner shall promptly report to the Unit Owners Association or to the Managing Agent any defect or need for repairs or replacements for which the Unit Owners Association is responsible.

(iv) Notwithstanding the foregoing, where a Unit Owner has made changes to Common Elements or added special features, equipment or facilities as or to Common Elements that require by their nature a higher level of maintenance or repair than other aspects of the Common Elements, or when a replacement is required that would necessitate replacement by non-standard or special order items, then maintenance, repair and replacement of such shall be the responsibility of the Unit Owner, and the cost thereof shall not be a General Common Expense, but shall be charged to that Unit Owner as Special Expenses if the maintenance, repair, or replacement is undertaken by the Unit Owners Association.

(b) By the Unit Owner.

(i) Except as otherwise provided for in the Declaration or by these Bylaws, including Schedule A hereof, each Unit Owner shall be responsible for the operation, maintenance, repair and replacement of its Unit, those Limited Common Elements assigned to such Unit and any areas of the Buildings subject easement benefiting the Unit Owner. Additionally each Unit Owner shall keep its Unit, the Limited Common Elements assigned to such Unit and any easement areas in the Building for which the Unit Owner is the beneficiary, including in each case any furnishings, fixtures, equipment, appliances and appurtenances, including but not limited to Identification Monuments, in good order, safe, condition and repair and in a clean, safe and sanitary condition comparable to the conditions identified from time to time in high quality retail/commercial developments in the Washington, D.C. metropolitan area.

(ii) Each Unit Owner will perform this responsibility in such manner so as not to unreasonably disturb or interfere with any other Unit Owner or the use of its Unit, with the Common Elements, or with the activities of the Unit Owners Association and of the Managing Agent.

(iii) Each Unit Owner shall provide to the Unit Owners Association a report annually of current and proposed capital activities with regard to its Unit, any Limited Common Elements and any easement areas of the Building under its control, in any case not later than October of each calendar year for review and comment by the Unit Owners Association.

(iv) Except where provided for otherwise by the Declaration or these Bylaws, each Unit Owner shall be responsible for the replacement of any equipment, furniture, fixturing and non-structural elements of its Unit, Limited Common Elements and any easement area of the Building as to which a Unit Owner is the beneficiary, including any Identification Monuments.

(v) Where control and operation of a Limited Common Element is shared with another Unit Owner, and Schedule A does not allocate responsibility for operation, maintenance, repair and replacement of a Limited Common Element to the Unit Owners Association, then the benefited Unit Owners shall be jointly and severally liable to the Unit Owners Association for the operation, maintenance, repair and replacement of a Limited Common Element, but sharing the cost and expense thereof as otherwise provided for by these Bylaws, including Schedule A.

(c) Manner of Repair and Replacement of Common Elements. All repairs and replacements of Common Elements shall be substantially similar to the original construction and installation, unless permitted otherwise pursuant to Section 5.6 below, but may be done with contemporary building materials and equipment.

Section 5.6. Additions, Alterations or Improvements to Common Elements and Easement Areas.

(a) By the Unit Owners Association to General Common Elements. If the General Common Elements require additions, alterations or improvements or if the Unit Owners Association desires to make any additions, alterations or improvements to the General Common Elements, then the Unit Owners Association may make those additions, alterations or improvements, after obtaining a Required Vote approving those additions, alterations or improvements, where those additions, alterations or improvements (i) are items that (A) fall within the scope of additions, alterations and improvements then being made to other high quality retail/commercial buildings in the Washington, D.C. metropolitan area of comparable age to the Building, (B) are deemed reasonably appropriate, applying good business practices, to be undertaken to maintain the quality of the Building as high quality retail/commercial buildings in the Washington, D.C. metropolitan area and (C) were approved by the Unit Owners Association as a capital expenditure in conjunction with the annual budget approved by the Unit Owners Association, (ii) are required to be undertaken to comply with any applicable law or governmental requirement, or (iii) are to be undertaken pursuant to commitments made or approvals obtained under any Title Documents, and are not inconsistent with and would not violate the Title Documents, the DC USA Deed or any Governmental Requirements. Any other proposed addition, alteration or improvement of the Common Elements may be undertaken by the Unit Owners Association only after obtaining a Unanimous Vote to approve such addition, alteration, or improvement. The costs and expenses of approved additions, alterations and improvements approved by the Unit Owners Association shall be assessed to the Unit Owners as General Expenses. Any work undertaken by the Unit Owners Association shall be accomplished in accordance with Facilities Access Conditions.

(b) By a Unit Owner to General Common Elements.

(i) If a Unit Owner desires to make any additions, alterations or improvements to or within the General Common Elements that benefit only the Unit Owner requesting such, then either the Unit Owners Association or, with the permission of the Unit Owners Association, the Unit Owner may make those additions, alterations or improvements provided a Required Vote of the Unit Owners is obtained approving those additions, alterations or improvements has been obtained, except that if such additions, alterations or improvements (i) are otherwise permitted by the Declaration or these Bylaws, including, but not limited to installation of Identification Monuments (as contemplated by Section 4.12 of the Declaration), (ii) are in the nature of openings for and installation of (A) doors and windows, (B) customer service facilities, such as walk up service facilities (including but not limited to bank teller windows, money machines and night depository drop offs) for ground floor retail and commercial service activities, or (C) required by any applicable governmental requirement, and (iii) arise in connection Unit No. 1 Owner's intent to physically incorporate into Unit No. 1 some

or all of the Excess Development Rights vested in Unit No. 1 Owner pursuant to the Declaration, then only a Standard Majority Vote shall be required.

(ii) Where the Unit Owners Association undertakes such additions, alterations, or improvements to the General Common Elements on behalf of and solely for the benefit of a Unit Owner, then the Unit Owners Association shall assess that Unit Owner directly for the cost thereof; the cost thereof shall not be deemed General Expenses, but shall be deemed as Special Expenses to that Unit Owner(s). Where such additions, alterations, or improvements to the General Common Elements are undertaken by a Unit Owner, then that Unit Owner shall be responsible for the cost thereof. In either case, the Unit Owner shall be responsible for any continuing costs and expenses related to such additions, alterations, or improvements, including those costs and expenses that might otherwise be duly assessed to the Unit Owners Association by the Declaration or these Bylaws.

(iii) Any work undertaken by the Unit Owner shall be accomplished in accordance with Facilities Access Conditions.

(c) By the Unit Owners Association to Limited Common Elements and Easement Areas. If the Limited Common Elements or any areas granted by easement to a Unit Owner require additions, alterations or improvements to comply with any applicable law or governmental requirement, or to maintain the integrity of the General Common Elements, or if the conditions of the Limited Common Elements or the easement areas in questions are such as to materially detract from the appearance or functionality of the General Common Elements, then the Unit Owners Association upon a Unanimous Vote may make those additions, alterations or improvements as reasonably deemed necessary to correct the condition of the Limited Common Elements or the easement area in question, provided however the Unit Owners Association shall first have provided written notice to the Unit Owners that have the benefit of those Limited Common Elements or the easement area as applicable, advising the Unit Owners of the offending condition, and affording the affected Unit Owner(s) to promptly correct or cure the same. If there is a failure to timely act to correct to noted condition, then the Unit Owners Association may proceed to undertake such addition, alteration or improvement. The cost incurred by the Unit Owners Association shall be deemed a Special Expense chargeable to the affected Unit Owners. Additionally if the Unit Owners Association upon a Standard Majority Vote desires to make any other additions, alterations or improvements to the Limited Common Elements or the easement area in question on behalf of the benefited Unit Owner(s) thereof, then the Unit Owners Association shall first notify the affected Unit Owners, but thereafter may make those additions, alterations or improvements, only after obtaining the consent of the affected Unit Owners. The cost of any such additions, alterations or improvements incurred by the Unit Owners Association shall be deemed a Special Expense of the affected Unit Owners. Any work undertaken by the Unit Owners Association shall be accomplished in accordance with Facilities Access Conditions.

(d) By a Unit Owner to Limited Common Elements and Easement Areas.

(i) If a Unit Owner desires to make any additions, alterations or improvements to or within the Limited Common Elements appurtenant to such Unit Owner's

Unit or to any areas granted by easement to a Unit Owner, then either the Unit Owners Association or, with the permission of the Unit Owners Association, the Unit Owner may make those additions, alterations or improvements provided a Required Vote approving those additions, alterations or improvements has been obtained, except that if such additions, alterations or improvements (i) are otherwise permitted by the Declaration or these Bylaws, including, but not limited to installation of Identification Monuments (as contemplated by Section 4.12 of the Declaration), elevators and cart corrals, and the relocation thereof from time to time, (ii) are in the nature of openings for and installation of (A) doors and windows, (B) customer service facilities, such as walk up service facilities (including but not limited to bank teller windows, money machines and night depositary drop offs) for ground floor retail and commercial service activities, or (C) required by any applicable governmental requirement, or (iii) arise in connection Unit No. 1 Owner's intent to physically incorporate into Unit No. 1 some or all of the Excess Development Rights vested in Unit No. 1 Owner pursuant to the Declaration, then only a Standard Majority Vote shall be required. Where a Unit Owner is permitted to undertake such approved additions, alterations, or improvements to the Limited Common Elements or easement areas, as applicable, then the Unit Owner(s) making such additions, alterations or improvements shall be solely responsible for the cost thereof. If the same are undertaken by the Unit Owners Association they shall be assessed to the appropriate Unit Owner(s) as a Special Expense. Where such approved additions, alterations, or improvements to Limited Common Elements and easement areas are made by or on behalf of a Unit Owner, then that Unit Owner shall be also responsible for any continuing costs and expenses related thereto, including those that might otherwise be duly assessed to the Unit Owners Association pursuant to the Declaration or these Bylaws. Any work undertaken shall be accomplished in accordance with Facilities Access Conditions.

(e) Application of other Provisions. The provisions of Sections 5.7(d), (e) and (f) of these Bylaws shall apply in the event a Unit Owner seeks to make and thereafter undertakes any improvements, changes or additions to the Common Elements pursuant to this Section 5.6.

Section 5.7. Additions, Alterations or Improvements of a Unit.

(a) Other than Immaterial Alterations (as hereinafter defined), no Unit Owner, nor tenant or other occupant of a Unit Owner's Unit may make any alterations, changes, installations, additions or improvements in or to the Unit or portion thereof (collectively "Alterations") without first having the Unit Owner review the same with the Unit Owners Association and obtaining the prior written approval of the Unit Owners Association by a Required Vote as provided for in Subsection 5.7(b) below. An "Immaterial Alteration" shall mean any proposed alteration, installation, additions or improvements (i) to a Unit (such as installation of tenant layout improvements for spaces within a Unit) that would not negatively affect the structure of the Building or any of the General Common Element building systems, (ii) to a Unit (such as installation of tenant layout improvements for spaces within a Unit) that would not impose upon any of the base building operating systems (including but not limited to those systems and the facilities related thereto that provide electrical, mechanical, plumbing and fire and life safety services to the Common Elements and all Units) special or unique demands which materially adversely impact the level of services being provided to the Common Elements or any Unit, (iii) to Unit No. 1 or

Unit No. 2, that would be an alteration of the non-structural components of any exterior wall of that Unit, and does not materially alter the architectural character of the General Common Elements, (iv) to Unit No. 1 or Unit No. 2, to any Identification Monuments, including signage, erected on the exterior of the Building or in the Common Element areas related to either or both of such Units, whether by the Unit Owner thereof or any a tenant or occupant of thereof, as applicable, in accordance with applicable law, the Declaration and the Rules and Regulations, (v) to Unit No. 3, the installation of diversion gutters suspended from the ceiling within the various levels of Unit No. 3 to control leaks in the parking garage facility, provided the same do not obstruct Identification Monuments related to the use of the facility by the public or the facilities effective operation as a parking garage or installed by or on behalf of any tenants or occupants of Unit No.1 or Unit No.2 pursuant to the Declaration of Parking Operations, and (vi) to Unit No. 3, undertaking concrete repairs to floor slabs within Unit No. 3, re-striping of the parking facilities, fixing of leaks in pipes and conduits, and similar types of non-structural maintenance and repair activities in about Unit No. 3 and the parking facilities located therein.

(b) Where the approval of the Unit Owner's Association to Alterations is required by Section 5.7(a) above, then only a Standard Majority Vote by the Unit Owners Association shall be required, unless the same could be expected to (i) impair (A) the structural integrity of the Buildings, (B) any of the mechanical, electrical or plumbing systems of the Buildings, or (C) any interior partitions contributing to the support of the Unit or the Buildings, (ii) have a material adverse effect on (A) the use, functioning or the costs of operation of the Buildings, or (B) the rights of Unit Owners or the Unit Owners Association attendant to any Common Elements, and (iii) substantially alter the appearance of the Common Elements. If the Alterations proposed by a Unit Owner could reasonably be expected to adversely or negatively impact the Building or the Common Elements as described in Subsection 5.7(b)(i) through (iii) above, then a Unit Owner must obtain a Unanimous Vote to approve the Alteration.

(c) Unit Owner shall give notice to the Unit Owners Association or to the Managing Agent of any Immaterial Alterations proposed to be made to the Unit so as to be able to coordinate contractor access through the General Common Elements.

(d) The Unit Owner, at its sole cost and expense, shall provide, or have provided, to the Unit Owners Association a copy of the plans for the floor or floors, or the portions thereof, on which the proposed Alterations to its Unit are to be made, revised to show the Unit Owner's proposed Alterations to its Unit.

(e) All proposed Alterations to a Unit by a Unit Owner (or any tenant or other occupant thereof) shall be made (i) at no expense to the Unit Owners Association, (ii) at such times and in such manner as to not unreasonably interfere with the operation of the Permitted Uses in the Buildings, (iii) in a good, workmanlike, high quality, and prompt and timely manner, (iv) in a fashion that minimizes impact on other Units and the Condominium in general, (v) in accordance with all applicable legal requirements and the requirements of any insurance company insuring the Buildings, including obtaining all necessary governmental permits, (vi) by a contractor or mechanic that (A) is duly and properly licensed in the District of Columbia, (B) is duly and properly insured, and

(C) possesses requisite experience, personnel, financial strength and other resources necessary to perform and complete the proposed alterations, installations, additions or improvements, (vii) in lien free condition during and upon completion of any construction or installation, (viii) only after the Unit Owner supplies to the Unit Owners Association evidence that all risk coverage insurance (or comparable insurance coverage) is in place naming the Unit Owners Association as an additional named insured, and providing coverage against damages or claims thereof that could arise from undertaking the Alterations, and (ix) in accordance with such reasonable and non-discriminatory construction rules that the Unit Owners Association may adopt from time to time as part of the Rules and Regulations. Where the Unit Owners Association incurs any direct costs and expenses related to Alterations made (or to be made) to a Unit, those costs and expenses shall be deemed Special Expenses assessable to that Unit Owner. The Unit Owner shall also be responsible for any continuing costs and expenses related to such Alterations at no cost to the Unit Owners Association.

(f) If any Alterations to a Unit (other than Immaterial Alterations) are made without the prior written consent of the Unit Owners Association, the Unit Owners Association may correct or remove the same, and the Unit Owner of such Unit shall be liable to the Unit Owners Association for any and all reasonable expenses incurred by the Unit Owners Association in the performance of the work. Additionally if any application to any governmental authority for a permit to make an addition, alteration or improvement requires execution by the Unit Owners Association and, provided consent of the Unit Owners Association has been obtained where required, then the application may be executed on behalf of the Unit Owners Association by the President-Treasurer or the Managing Agent. Neither the approval by the Unit Owners Association of any request of a Unit Owner to make Alterations to its Unit nor the execution of any application for government permission or approval related thereto by the Unit Owners Association shall be deemed to have committed the Unit Owners Association to undertake such work, or become liable (i) to the issuing government agency, (ii) to any contractor, subcontractor or materialman hired to perform such work on behalf of the Unit Owner (or any tenant or other occupant of that Unit Owner's Unit), or (iii) to any person having any claim for injury to person or damage to property, as a result of such work or arising from the undertaking of such work.

Section 5.8. Right of Access. By acceptance of the deed of conveyance, each Unit Owner thereby grants a right of access to the Unit, the Limited Common Elements appurtenant thereto, as provided by subsection 42-1903.07(a) of the Condominium Act, and any easement area granted to that Unit Owner to the Unit Owners Association, or any other person authorized by the Unit Owners Association, including the Managing Agent and any other Unit Owner, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including without limitation making inspections, correcting any condition originating in the Unit, the Common Elements or easement area to which access is obtained through the Unit and threatening another Unit, any area granted by easement to that Unit, or the Common Elements, or performing installations, alterations or repairs to the mechanical, heating ventilating and air conditioning, plumbing or electrical systems of the General Common Elements located in the Unit, in the Limited Common Elements appurtenant that Unit or any area granted by easement to that Unit. All such actions as and when proposed to be undertaken shall be subject to performance in compliance with the Facilities Access Conditions.

Section 5.9. Utility Charges. The cost of utilities services provided to the Condominium and not individually metered or submetered to a specific Unit or not benefiting solely a specific Unit or Units (and not all Units equally) shall be treated as General Expenses, and unless specifically allocated to one or more, but less than all Unit Owners by Schedule A, shall be allocated based upon Common Element Interest.

Section 5.10 Transfer of Security Facilities and Operations for Unit No. 3.

(a) As of the Effective Date, security services for Unit No. 3 shall be provided by the Unit Owners Association, based upon a baseline of services to be agreed upon by Unanimous Vote. Notwithstanding responsibility for such services being vested with the Unit Owners Association, Unit No. 3 Owner may request a transfer of such responsibilities from the Unit Owners Association to Unit No. 3 Owner at any time after the expiration of two (2) full calendar years after the Effective Date. Any subsequent request for a proposed transfer of responsibility may be submitted to the Unit Owners Association no more than once annually thereafter, if any initial request for transfer is not approved by the Unit Owners by the Required Vote.

(b) To initiate a possible transfer of responsibility for the security services for Unit No. 3, Unit No. 3 Owner must submit a written request for to the Managing Agent for consideration by the Unit Owners Association. In evaluating a Unit No. 3 Owner request to have control and operation of these services transferred to Unit No. 3 Owner, the Unit Owners shall evaluate the ability and capability of the Unit No. 3 Owner to employ a duly licensed, professional building security company, qualified to transact business in the District of Columbia to provide such services for Unit No. 3 (the "Security Company"). As a condition to consideration of any request by the Unit Owners, Unit No. 3 Owner must identify in its request the party it proposes to employ as the Security Company for Unit No. 3 and show that such party (1) has a minimum of five (5) years prior experience of providing building security services for an enclosed, off street, privately owned parking facility serving high quality retail complexes located in the Washington, D.C. metropolitan area of similar size, physical arrangement and tenancy of Building, taking into account the added requirements of the Property's location in an urban neighborhood in Washington, D.C. ("Comparable Parking Facilities"), (2) currently is providing security services at no less than five (5) Comparable Parking Facilities, and (3) has strong financial credentials and qualifications. The party then serving as the private security company for the Unit Owners Association for the Building shall be deemed a qualified party to be selected as the Security Company by Unit No. 3 Owner.

(c) If a request for transfer of security responsibilities for Unit No. 3 is received by the Unit Owners Association, the Unit Owners Association shall give due and reasoned consideration to the request, and evaluate the same in light the need of the Unit Owners Association to satisfy the Parking Objectives set forth in the Declaration of Parking Operations, the importance of the qualifications for any party being considered for selection to provide security for No. 3 as set forth above in Section 5.10(b) above, and any perceived adverse impact upon the security of the Building as a whole which might result if a transfer of security responsibilities would result in separate security services providers for Unit No. 3 as distinct from the Common Elements of the Building. Where a request for transfer is not

approved by the Unit Owners by a Required Vote, Unit No. 3 Owner may renew that request annually thereafter following the each succeeding anniversary of the Effective Date.

(d) If the Unit Owners approve by Required Vote the transfer of responsibility for security services for Unit No. 3 to Unit No. 3 Owner, then Unit No. 3 Owner shall review any proposed security services agreement for delivery of services to Unit No. 3 with the Managing Agent, and such agreement and the scope of services contained therein shall require the prior approval by the Unit Owners Association by Unanimous Vote.

(e) If at any time after the Unit Owners approve the transfer of responsibility for security services to Unit No. 3, the Managing Agent determines, or Unit No. 1 Owner and Unit No. 2 Owner together determine that the Security Company hired by Unit No. 3 Owner is not performing its obligations with regard to providing required security services for Unit No. 3 and its operations or that Unit No. 3 Owner is not causing the Security Company to provide the security services contracted for in Unit No. 3 as contemplated by and in accordance with the provisions of this Section 5, the Unit Owners Association shall have the right (a) to deliver a Non-Performance Notice to Unit No. 3 Owner, and (b) to require that Unit No. 3 Owner cure such non-performance within twenty-one (21) days of receipt of such notice or such longer period of time period specified in the Non-Performance Notice. The Unit Owners Association shall contemporaneously provide a copy of the Non-Performance Notice to the any mortgagee or bondholder having a lien on legal title to Unit No. 3.

(f) If Unit No. 3 Owner fails to timely cure, or have cured, the non-performance as identified in the Non-Performance Notice, then the Unit Owners Association may withdraw approval of the transfer of responsibility for security services for Unit No. 3 and re-assert control over security services for Unit No. 3, as well as oversight of the provider of security services, at the cost and expense of Unit No. 3 as a Special Expenses.

ARTICLE 6

Insurance

Section 6.1. Authority to Purchase; Notice.

(a) Except as otherwise provided in Section 6.5 hereof, all insurance policies relating to the Property including as to each Unit shall be purchased by the Unit Owners Association. The cost thereof shall be a General Expense. The Unit Owners Association, to the extent practicable and available at commercially reasonable rates, shall purchase one policy for the coverage of the Property. Neither the Unit Owners Association, the President-Treasurer (or any other officer) nor the Managing Agent shall be liable for failure to obtain any coverages required by this Article 6 nor for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverages from reputable insurance companies. The Unit Owners Association shall promptly furnish to each Unit Owner and to each Mortgagee written notice of the procurement of, subsequent changes in, or termination of, insurance coverages obtained on behalf of the Unit Owners Association, in compliance with Section 42-1903.10 of the Condominium Act.

(b) Each such policy shall provide that:

(i) The insurer waives any right to claim by way of subrogation against the Unit Owners Association, the President-Treasurer (or any other officer) the Managing Agent or the Unit Owners, and their respective guests, invitees, tenants, agents and employees;

(ii) Such policy 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, all Unit Owners and all Mortgagees; and,

(iii) The Unit Owners Association shall provide to each Mortgagee notice of renewal of each of such policies at least twenty (20) days prior to the stated expiration date of such policies.

(c) All policies of insurance shall be written by reputable companies licensed or qualified to do business in the District of Columbia.

(d) The amount of the deductible, if any, on any insurance policy purchased by the Unit Owners Association shall be a General Expense.

Section 6.2. Physical Damage Insurance.

(a) The Unit Owners Association shall obtain and maintain a blanket, "all-risk" form policy of fire and casualty insurance with extended coverage, vandalism, malicious mischief and sprinkler leakage, or comparable coverage then available from time to time, insuring the Common Elements and any personal property owned by the Unit Owners Association together with all air-conditioning and heating equipment and other service machinery that are General Common Elements contained therein and covering the interests of the Unit Owners Association (subject, however, to the loss payment and adjustment provisions in favor of the Insurance Trustee), in an amount equal to one hundred percent (100%) of the then current replacement cost of the Property (exclusive of the Land, excavations and foundations), without deduction for depreciation; provided that the Unit Owners Association shall not be required in such blanket, "all-risk" form policy of fire and casualty insurance to cover betterments and improvements supplied or installed by any Unit Owner in its Unit or the personal property of any Unit Owner.

(b) Such policy shall also provide such other available coverages as the Unit Owners Association may from time to time determine. Such policy shall also include an endorsement or provision, to the extent obtainable at commercially reasonable rates, that any "no other insurance" clause expressly exclude individual Unit Owner's policies from its operation so that the physical damage policy purchased by the Unit Owners Association shall be deemed primary coverage and any individual Unit Owner's policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Unit Owners Association hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees, unless otherwise required by law.

Section 6.3. Liability Insurance. The Unit Owners Association shall obtain and maintain commercial general liability, property damage liability insurance and such other comparable insurance products as may be available from time to time and would be obtained by

commercially prudent owners of projects similar to the Condominium, in such limits as the Unit Owners Association may from time to time determine, by a Simple Majority in Interest, insuring the President-Treasurer (or any other officer) the Managing Agent, each Unit Owner and the employees of the Unit Owners Association against any liability to the public or to the Unit Owners (and their guests, invitees, tenants, agents and employees) arising out of, or incident to the ownership or use of the Common Elements. The extent, nature and degree of such coverage from time to time shall be no less than that maintained in real estate developments comparable to the Building with its mix of Permitted Uses. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to an action against another named insured; and (ii) a "severability of interest" endorsement which shall preclude the insurer from denying liability coverage to a Unit Owner because of negligent acts of the Unit Owners Association or of another Unit Owner

Section 6.4. Other Insurance. The Unit Owners Association shall also obtain and maintain such other insurance as a commercially prudent owner of a comparable project to the Condominium would obtain and maintain from time to time or as may be requested from time to time by a Simple Majority in Interest.

Section 6.5. Separate Insurance.

(a) Each Unit Owner shall obtain insurance for such Unit Owner's benefit, at such Unit Owner's sole expense, covering the Unit Owner's nonstructural components of a Unit, and any furniture, furnishings, fixtures, equipment, and personal property, as well as any improvements made to the Unit by such Unit Owner, or any tenant or occupant of such Owner's Unit (including coverage normally called "improvements and betterments coverage"); provided, however, that no Unit Owner shall be entitled to exercise this right to acquire or maintain such insurance coverage so as to decrease the amount which the Unit Owners Association, on behalf of all Unit Owners, may realize under any insurance policy maintained by the Unit Owners Association for the Common Elements or to cause any insurance coverage maintained by the Unit Owners Association to be brought into contribution with insurance coverage obtained by a Unit Owner.

(b) In addition to the foregoing insurance requirements, each Unit Owner shall maintain a policy of commercial general liability insurance, naming as additional insureds the other Unit Owners and the Unit Owners Association at limits as reasonably fixed by the Unit Owners Association by a Standard Majority Vote.

(c) Due to the nature of the operations in Unit No. 3, the Unit No. 3 Owner shall also maintain such additional insurance coverages as would be appropriate from time to time and typical in the industry for Persons owning and operating a off-street publicly accessible parking garage, including but not limited garage liability, garage keepers legal liability and crime insurance coverages (or comparable insurance programs).

(d) No Unit Owner shall obtain separate insurance policies on the Condominium whole however.

(e) Each Mortgagee should be identified as an additional insured under each policy of insurance held by the Unit Owners Association to the extent the same such coverage is available under a particular policy type.

Section 6.6. Insurance Trustee.

(a) Proceeds of Insurance/Designation of Payee. All physical damage insurance policies purchased by the Unit Owners Association shall be for the benefit of the Unit Owners Association, the Unit Owners and their Mortgagees, as their interests may appear, and shall provide that all proceeds of such policies shall be paid in trust to an "Insurance Trustee" to be applied pursuant to the terms of Article 7.

(b) Duty of Insurance Trustee. 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.

(c) Appointment of Insurance Trustee. The Insurance Trustee shall be appointed by, and may be removed and replaced by, a Standard Majority Vote of the Unit Owners.

ARTICLE 7

Repair and Reconstruction After Fire or Other Casualty

Section 7.1. When Repair and Reconstruction are Required. Except as otherwise provided in Section 7.4, if all or any part of the Property is damaged or destroyed as a result of fire or other casualty, the Unit Owners Association shall arrange for and supervise the prompt repair and restoration thereof (but not including any non-structural fit out of a Unit, and any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by any Unit Owner in its Unit unless then covered by insurance obtained by the Unit Owners Association).

Section 7.2. Procedure for Reconstruction and Repair.

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to any portion of the Property, the Unit Owners Association shall obtain estimates of the cost of repairing and restoring the damaged portion of the Property (but not including any non-structural fit out of a Unit and any furniture, furnishings, fixtures, personal property or equipment installed by a Unit Owner in its Unit unless then covered by insurance obtained by the Unit Owners Association) 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 for which the Unit Owners Association is responsible (including any deductible), or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to permit the Unit Owners Association to complete such reconstruction and repair shall be deemed a

Common Expense and a special assessment therefor shall be levied against all Unit Owners in proportion to their respective Common Element Interests.

(c) Plans and Specifications. Any such reconstruction or repair of the Property shall be substantially in accordance with the construction of the Property at the time of the casualty, subject to any modifications required by changes in applicable governmental regulations, and using contemporary building materials and technology to the extent feasible; provided, however, that other action may be taken if approved by all Unit Owners and all Mortgagees.

Section 7.3. Disbursements of Construction Funds.

(a) Construction Fund and Disbursement. The proceeds of insurance collected on account of casualty, and the sums received by the Insurance Trustee from collections of assessments against the 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:

(i) If the estimated cost of reconstruction and repair to the Property, or portion thereof for which the Unit Owners Association is responsible is less than Two Million and 00/100ths Dollars (\$2,000,000.00), then the construction fund shall be disbursed in payment of such costs upon order of the Unit Owners Association.

(ii) If the estimated cost of reconstruction and repair to the Property for which the Unit Owners Association is responsible equals or exceeds Two Million and 00/100ths Dollars (\$2,000,000.00), then the construction fund shall be disbursed in payment of such 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 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. Each contractor or subcontractor submitting a request for payment for such repair or restoration work shall be required to submit a lien waiver executed by such contractor or subcontractor with respect to all amounts previously paid to such contractor or subcontractor.

(b) Surplus. The first monies disbursed in payment of the cost of reconstruction and repair of the Property for which the Unit Owners Association is responsible 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 the Unit Owners in proportion to their

respective Common Element Interests and shall be distributed in accordance with the priority of interests at law or in equity in each Unit.

Section 7.4. When Reconstruction Is Not Required. If the Unit Owners Association elects, pursuant to the unanimous agreement of all Unit Owners and all Mortgagees, not to repair insubstantial damage to the Common Elements, the Unit Owners Association shall remove all remains of the damaged improvements and restore the site thereof to an acceptable condition compatible with the remainder of the Condominium and the balance of any insurance proceeds received on account of such damage shall be distributed or credited, as the Unit Owners Association may decide, to all Unit Owners in proportion to their respective Common Element Interests. If the Condominium is terminated pursuant to the written consent of all Unit Owners and all Mortgagees, then the net assets of the Condominium together with the net proceeds of insurance policies, if any, shall be divided by the Insurance Trustee among all Unit Owners in proportion to their respective Common Element Interests, after first paying out of the share of each Unit Owner, to the extent sufficient therefor, the amount of any unpaid liens on the Unit in the order of priority of such liens.

ARTICLE 8

Mortgages

Section 8.1. Notice to Unit Owners Association. A Unit Owner who executes a Mortgage secured by its Unit shall notify the Unit Owners Association of the name and address of the Mortgagee and, upon request, shall file a conformed copy of the note and Mortgage with the Unit Owners Association.

Section 8.2. Notice of Default; Casualty or Condemnation.

(a) Copy of Notice of Default to Mortgagee. The Unit Owners Association, when giving notice to any Unit Owner of a default in the payment of an assessment for General Expenses, Limited Common Element Expenses or Special Expenses (which remains uncured for sixty (60) days) or of any other default, shall simultaneously send a copy of such notice to the Mortgagee of such Unit.

(b) Mortgagee Request for Notices of Default. Should any Mortgagee give notice to the Unit Owners Association that a Unit Owner is default under such Mortgagee's Mortgage or Bond Documents, then, until advised otherwise by the Mortgagee, the Unit Owners Association shall provide a copy of all notices issued to such Unit Owner by the Unit Owners Association to the Mortgagee in question.

(c) Notice to Mortgagee of Casualty/Condemnation. Each Mortgagee shall also be promptly notified of any casualty, of all actions taken under Article 7 of these Bylaws and of any taking in condemnation or by eminent domain pursuant to Section 42-1901.06 of the Condominium Act and actions of the Unit Owners Association with respect thereto.

Section 8.3. Notice of Amendment of Condominium Instrument. The Unit Owners Association shall give notice to all Mortgagees at least twenty (20) days prior to the date on

which the Unit Owners, in accordance with the provisions of these Bylaws, will take action to materially amend the Condominium Instruments.

Section 8.4. Approvals. In addition to a Required Vote of the Unit Owners pursuant to the Declaration and these Bylaws, unless all Mortgagees have given their prior written approval, the Unit Owners Association shall not: (a) change any Unit's Common Element Interest except as provided in Section 42-1901.06 of the Condominium Act; (b) partition, subdivide, abandon, encumber, sell or transfer the Common Elements of the Condominium (other than the granting, modifying, amending or terminating easements, leases, licenses or concessions pursuant to and in accordance with the provisions of the Declaration or these Bylaws); (c) by act or omission withdraw the submission of the Property to the Condominium Act; (d) modify the method of determining assessments or allocating distributions of casualty insurance proceeds or condemnation awards; (e) use hazard insurance proceeds for losses to the Property for any purpose other than repair, replacement or restoration except as provided in Sections 7.3 and 7.4 hereof; or (f) add or amend any material provisions of the Condominium Instruments which establish, provide for, govern or regulate voting or assessment liens

ARTICLE 9 Compliance and Default

Section 9.1. Relief. Each Unit Owner and the Unit Owners Association shall be governed by, and shall comply with, all of the terms of the Condominium Act, the Condominium Instruments and the applicable Title Documents, as applicable, as any of the same may be amended from time to time, as well as with the Declaration of Parking Operations. In addition to the remedies provided in Section 42-1902.09 of the Condominium Act, a default by a Unit Owner shall entitle the Unit Owners Association, acting through itself or through the Managing Agent, to the following relief:

(a) Legal Proceedings. Failure to comply with any of the terms of the Condominium Instruments shall be grounds for relief, including without limitation, an action to recover any sums due for money damages, injunctive relief, specific performance, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws or any combination thereof and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Unit Owners Association or, if appropriate, by any aggrieved Unit Owner, and shall not constitute an election of remedies.

(b) Costs and Attorneys' Fees. In any proceedings arising out of any alleged default by a Unit Owner, the prevailing party on the merits of the claim upon which the proceedings were filed shall be entitled to recover the costs of such proceeding and such reasonable attorneys' fees as may be determined. The same shall be deemed Special Expenses due and owing by that Unit Owner.

(c) No Waiver of Rights. The failure of the Unit Owners Association 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, 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, 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.

Section 9.2. Lien for Assessments.

(a) Lien. The assessment of each Unit Owner for General Expenses, Special Expenses and any special assessment, or any other sum duly levied made pursuant to these Bylaws, is hereby declared to be a lien levied against the Unit of such Unit Owner as provided in Section 42-1903.13 of the Condominium Act, which lien shall be effective, with respect to annual assessments, on the first day of each fiscal year of the Condominium and, as to special assessments and other sums duly levied, on the first day of the next month which begins more than thirty (30) days after delivery to the Unit Owner of notice of default of payment of such special assessment or levy. The Unit Owners Association may file or record such other or further notice of any such lien, or such other or further document, as may be required to confirm the establishment and priority of such lien.

(b) Enforcement.

(i) If at the time a Unit Owner conveys legal title of its Unit for consideration to a party, then the amount on any assessment of any kind due and owing to the Unit Owners Association by that Unit Owner that is due and unpaid at the time of the conveyance of legal title to its Unit shall be paid from the consideration received by that Unit Owner in connection with the conveyance of legal title to that Unit. The Unit Owners Association shall have no obligation to provide any estoppel certificate, re-sale certificate or other certification to any third party on behalf of or at the request of that Unit Owner so long as any assessments, duly noted to the Unit Owner, are due and owing, and unpaid to the Unit Owners Association.

(ii) The lien for assessments may be enforced and foreclosed in any manner permitted by the laws of the District of Columbia, by power of sale (pursuant to Section 42-1903.13 of the Condominium Act) or action in the name of the Unit Owners Association. 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. To the extent permitted under the provisions of Section 42-1903.13 of the Condominium Act, the lien for assessments shall have priority over, and shall not be subordinate to, the lien of any Mortgage. Where a foreclosure on the Unit has been undertaken by the Unit Owners Association for assessments due and unpaid by a Unit Owner, then to the extent the proceeds derived from such foreclosure exceed the amount of delinquent assessments due to the Unit Owners Associations by that Unit Owner, including the costs and expenses of collection, then the remainder of such proceeds shall be promptly paid over to the Mortgagee having an interest in legal title to such Unit.

(c) Remedies Cumulative. A suit to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien securing the same, and a

foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment.

(d) Nondisturbance of Tenants. Should the Unit Owners Association successfully foreclose on legal title to the Unit of a Unit Owner in satisfaction of any lien or claim of the Unit Owners Association against a Unit Owner, the foreclosure and transfer of legal title to the Unit shall not serve to entitle the Unit Owners Association, or any assignee or transferee thereof to displace any tenant or occupant of the Unit (or portion thereof) or terminate any lease or other occupancy arrangement with such tenant or occupant previously entered into by such tenant or occupant with the prior Unit Owner, except as provided for under such lease or other occupancy arrangement. The Unit Owners Association, and any assignee or transferee thereof shall continue to recognize such tenant or occupant as having a recognized interest in the Unit (or portion thereof) as provided for in the lease or other occupancy arrangement, and shall afford full non-disturbance protection to such tenant or occupant provided such tenant or occupant continues to comply with the provisions of, and fulfills its obligations under, the applicable lease or other occupancy arrangement.

(e) Anti-Deficiency Act Limitation. So long as the District of Columbia or an affiliated governmental entity is the Unit No. 3 Owner, and as such is subject to the provisions of Section 446 of the District of Columbia Home Rule Act and the federal Anti-deficiency Act (the "Anti-deficiency Act"), then Declarant and Unit Owners 1 and 2 acknowledge that the obligations of Unit Owner 3 to fulfill financial obligations of any kind pursuant to these Bylaws, including indemnification if any, may be subject to the provisions of the Anti-deficiency Act, regardless of whether a particular obligation was expressly so conditioned. The District of Columbia, on behalf of itself and such other government entity, agrees that, as Unit Owner 3, it will, in good faith, use best efforts to obtain and exercise all lawful and available authority to satisfy any of its financial obligations that may arise under these Bylaws, including, without limitation, attempting to obtain the necessary appropriations and/or the reprogramming of available funds if such reprogramming is legal and necessary to satisfy its financial obligations; however, the obligations of the District of Columbia or such entity as Unit Owner 3 under these Bylaws are subject to the receipt of specific authority from Congress, with no implication that Congress will give such authorization. Notwithstanding the foregoing, (a) the obligations of the District of Columbia or such other government entity as Unit Owner 3 that may arise under these Bylaws shall not constitute an indebtedness within the meaning of any constitution or statutory debt limitation or restriction and do not constitute an obligation for which the District of Columbia or such entity, as Unit Owner 3, is obligated to levy or pledge any form of taxation or for which it has levied or pledged any form of taxation, and (b) at such time as the District of Columbia or such other governmental entity seeks to convey legal title of Unit No.3 for consideration to any party, then the amount on any assessment of any kind due and owing to the Unit Owners Association by the District of Columbia or such other entity as the Unit No. 3 Owner, that is then due and unpaid shall be paid in full at or prior to the time that legal title to Unit No. 3 is to be conveyed, whether the funds for payment come from the proceeds of the sale of Unit No. 3, from appropriated funds or from other funds available to the District of Columbia or such other government entity.

Section 9.3. Liability With a Conveyance of Title. A Unit Owner that conveys legal or equitable title to its Unit (other than by and through the execution of a deed of trust, mortgage or

other conveyance as security for an obligation) shall have no liability or obligation under the Declaration or these Bylaws for any default or breach of the obligations imposed upon or arising with respect to the Unit after the date of conveyance, the transferee of such title to the Unit being liable for the obligations imposed upon or accruing with respect to such Unit after the date of such conveyance of legal or equitable. Notwithstanding the foregoing, where a voluntary transfer of legal or equitable interests in a Unit occurs, other than in connection with the placing of security for a debt, then any accrued and unpaid assessments of Common Expenses of that Unit Owner, which have not been paid in full at the time of conveyance of legal or equitable title, shall become the joint and several liability of the transferee of such interests in a Unit with the transferor, subject to the applicable provisions of the Condominium Act.

ARTICLE 10 Condemnation

Section 10.1. Event of Condemnation. In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, the Unit Owners Association, subject to the provisions set forth below in this Article and elsewhere in Sections 3.1, 8.2 and 8.4 of these Bylaws, will arrange, as necessary and required, for the prompt repair, restoration or alteration, as appropriate, to the Common Elements that are effected or impacted by the taking in condemnation or by eminent domain. The award made for any such taking of Common Elements shall be payable to the Unit Owners Association, provided, however, that if any repair, restoration or alteration of the Common Elements is necessary and required, and the amount of such award exceeds Two Million and 00/100^{ths} Dollars (\$2,000,000.00), the award shall be payable to the Insurance Trustee. The Insurance Trustee shall disburse the award proceeds to the contractors engaged in such repair, restoration or alteration of the Common Elements in appropriate progress payments.

Section 10.2. Insufficient Proceeds. If the net proceeds of any such award are insufficient to cover the cost of any repairs, restorations or alterations to the Common Elements, the deficient shall be borne by all Unit Owners with respect to those costs pro-rata in accordance with their respective Common Element Interests, if the same is not specifically otherwise provided for in Schedule A. If no repair, restoration or alteration of the Common Elements is necessary or required, or where the award amount exceeds the cost of repairs, restorations or alterations to the Common Elements, then the Unit Owners Association shall retain any award (or excess) as part of the capital reserves of the Unit Owners Association for Common Elements, allocating such amounts between reserves for General Common Elements and reserves for Limited Common Elements based upon the perceived impact of the taking on the various Common Elements.

Section 10.3. Distribution of Award. In the event that the Unit Owners Association by Required Vote decides not to undertake any necessary and required repair, restoration or alteration of the impacted Common Elements arising from a taking contemplated in Section 10.1 above (whether pursuant to Section 3.2(b)(x), or Section 3.2(c)(xvii) of these Bylaws), then such repairs, restorations or alterations may not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners in proportion of their respective Common Element Interests unless Schedule A would require an alternate allocation, after first

paying out of the share of each Unit Owner the amount of any unpaid liens on such Units, including liens for assessments due to the Unit Owners Association.

ARTICLE 11 Miscellaneous

Section 11.1. Notices.

(a) All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or within 2 days of deposit if sent by United States mail, return receipt requested, postage prepaid, or the next day after deposit if sent by reputable overnight courier, (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the President-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 or at such address as shall be designated by notice in writing to all of the Unit Owners pursuant to this Section, or if no address is designated, to 3100 14th Street, N.W., Washington, D.C.

(b) If a Unit is owned by more than one person, each such person who so designates an address in writing to the President-Treasurer shall be entitled to receive all notices hereunder.

Section 11.2. 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 11.3. 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.

Section 11.4. Applicable Law/Construction. These Bylaws shall be governed by the law of the District of Columbia. Additionally these Bylaws are intended to comply with all of the applicable provisions of the Condominium Act and shall be so interpreted and applied. The failure to comply strictly with the time periods required by these Bylaws, unless also required by the Condominium Act, shall not invalidate any action of the Unit Owners Association in the absence of a written objection by a Unit Owner or a Mortgagee within ten (10) days after the failure to comply.

[Signatures appear on next pages.]

IN WITNESS WHEREOF, GRID Urban Ventures III, LLC, a New York limited liability company, a Managing Member of USPDC, LLC, a New York limited liability company, Managing Member of DC USA Management Co. LLC, a Delaware limited liability company, Manager and Sole Member of DC USA Operating Co., LLC, a New York limited liability company, has caused these presents to be signed in its name by Drew Greenwald, its Managing Member, and Picket Realty Construction Consultants LLC, a New York limited liability company, Manager of DC USA GO, LLC, a New York limited liability company, a Managing Member of USPDC, LLC, a New York limited liability company, Managing Member of DC USA Management Co. LLC, a Delaware limited liability company, Manager and Sole Member of DC USA Operating Co., LLC, a New York limited liability company, has caused these presents to be signed in its name by David L. Picket, a Member, for the purposes of executing, acknowledging and delivering this Declaration, as the act and deed of the various limited liability companies for themselves and in their respective interests in DC USA Operating Co., LLC, the Declarant hereunder, all as of the day and year hereinbefore written.

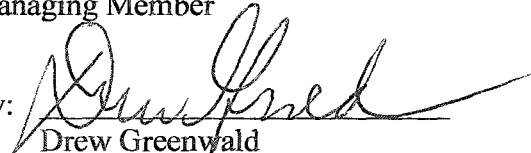
DC USA OPERATING CO., LLC,
a New York limited liability company

By: DC USA Management Co. LLC,
a Delaware limited liability company,
Manager and Sole Member

By: USPDC, LLC,
a New York limited liability company,
Managing Member

By: GRID Urban Ventures III, LLC,
a New York limited liability company,
Managing Member


By:


Drew Greenwald
Managing Member

By: DC USA GO, LLC,
a New York limited liability company,
Managing Member

By: Picket Realty Construction Consultants LLC,
a New York limited liability company,
Manager

By:

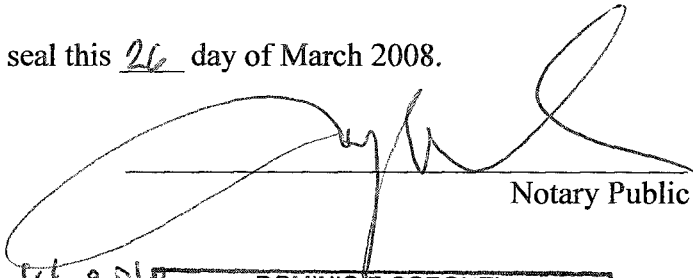

David L. Picket
Member

COUNTY OF Queens

STATE OF NEW YORK, to wit:

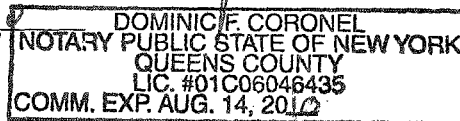
I, Dominic F. Coronel, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Drew Greenwald, Managing Member of GRID Urban Ventures III, LLC, a Managing Member of USPDC, LLC, Managing Member of DC USA Management Co. LLC, itself Manager and Sole Member of DC USA Operating Co., LLC, Declarant, in the foregoing and annexed Declaration, personally appeared before me in said jurisdiction and, being personally well known to me, acknowledged said instrument to be the act and deed of said limited liability companies and delivered the same as such.

GIVEN under my hand and seal this 26 day of March 2008.


Notary Public

My commission expires: Aug 14, 2010

[NOTARIAL SEAL]



COUNTY OF New York

STATE OF NEW YORK, to wit:

I, Sheila Curtin, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that David L. Picket, Member of Picket Realty Construction Consultants LLC, Manager of DC USA GO, LLC, a Managing Member of USPDC, LLC, Managing Member of DC USA Management Co. LLC, Manager and Sole Member of DC USA Operating Co., LLC, Declarant, in the foregoing and annexed Declaration, personally appeared before me in said jurisdiction and, being personally well known to me, acknowledged said instrument to be the act and deed of said limited liability companies and delivered the same as such.

GIVEN under my hand and seal this 26th day of March 2008.


Notary Public

My commission expires: November 24, 2011

[NOTARIAL SEAL]

SHEILA CURTIN
Notary Public, State of New York
No. 01CU6179342
Qualified in Westchester County
Commission Expires Dec. 24, 2011

All that certain lot or parcel of land situated and lying in the District of Columbia, and more particularly described as follows:

Lot of Record 721 in Square 2674 pursuant to recorded in Subdivision Book 200 at Page 44 among the records of the Office of the Surveyor of the District of Columbia,

But specifically less and except (i) any transferable development rights ("TDRs") appurtenant to the above-described property as of the Effective Date, all such rights being retained by the Declarant, (ii) any rights to any benefits, proceeds or other consideration arising from any sale and transfer of those TDRs, all of such rights to be deemed vested and retained by Declarant or its assignees, (iii) any beneficial or other consideration to be paid, posted or given by or on behalf of the Declarant prior to the Effective Date in conjunction with and arising out of any combined lot development arrangements under the Zoning Regulations, (iv) any refund of all or a portion of any governmental imposition paid by or on behalf of the Declarant, including but not limited real property taxes, franchise taxes, business improvement district taxes, public space rentals and similar impositions, imposed upon the Declarant for the period prior to the Effective Date and for which the Declarant has applied for a refund or appealed the imposition of prior to the Effective Date, or for which Declarant has been assessed and charged with regard to any period prior to the Effective Date, (v) any return, release, or refund of any deposits, bonds, or escrow of funds posted by or on behalf of the Declarant prior to the Effective Date in conjunction with the development of the Building, including but not limited to utilities bonds, and (vi) any investment tax credits arising under the United States Internal Revenue Code arising or related the development of the Building.

SCHEDULE A

to

BYLAWS
OF
DC USA CONDOMINIUM

[See attached tables.]

**Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)**

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Sitework							
Concrete Paving	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Asphalt Paving	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Curbing	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Building Sidewalk	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Parking Entry Ramps, Aprons	Exterior	LCE	Parking	0.00%	0.00%	100.00%	
Site Fencing, Gates and Rolldown Doors, etc. for Driveways and Walkways (but specifically excluding similar equipment at parking garage rampways)	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Security Bollards & Guard Rails	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Site Landscaping	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Tree Pits/Planters	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Street Landscaping	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Rear Drive Through Area	Rear of Bldg.	GCE	UOA	59.00%	38.50%	2.50%	
Trash Compactors - Target	Rear of Bldg.	Unit No. 2	Target	0.00%	100.00%	0.00%	
Trash Compactors - Retail	Rear of Bldg.	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Bike Racks	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Exterior Drainage, Catch Basins	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Exterior Building/Site Lighting	Exterior	GCE	UOA	59.00%	38.50%	2.50%	
Public Space Improvements and Contributions (beyond the Boundaries of the Land and Building)	Exterior	GCE	UOA	45.41%	29.59%	25.00%	Contributions for public endeavors required by applicable public authorities, including but not limited to improvements to streetscape, park and public rights of way.

**Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)**

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Residual Remediation of Environmental Matters Existing Prior to the Effective Date	Exterior		UOA	60.50%	39.50%	0%	
Remediation of environmental matters arising from and after the Effective Date with regard to GCEs	Exterior/Interior	GCE	UOA	33.30%	21.70%	45.00%	
Remediation of Environmental Matters Arising from and After the Effective Date with Regard to Limited Common Elements	Interior	LCE— Applicable Unit Owner	Impacted Unit Owners	Footnote # 6	Footnote #6	Footnote # 6	
Remediation of Environmental Matters Arising from and After the Effective Date with Regard to a Unit	Interior	Applicable Unit Owner	Impacted Unit Owner				
Utility Services/Equipment/Service Rooms							
Water Service/Plumbing and Equipment/Water Service Room	PL1	GCE	UOA	54.40%	35.60%	10.00%	
Sprinkler Service/Plumbing and Equipment/Sprinkler Service Room	PL1	GCE	UOA	54.40%	35.60%	10.00%	
Natural Gas Service/Plumbing and Equipment/Gas Service Room	F1. 1	GCE	UOA	54.40%	35.60%	10.00%	
Sanitary Sewer Service/Equipment	PL1	GCE	UOA	54.40%	35.60%	10.00%	
Electric Service/Wiring, Conduit and Equipment/Main Switchgear Room	PL1	GCE	UOA	54.40%	35.60%	10.00%	
Telephone Service/Wiring, Conduit and Equipment/Telephone Service Room	PL1	GCE	UOA	54.40%	35.60%	10.00%	
Natural Gas Meters for GCEs (with any individual meter or submeter related to a Unit or its LCE areas being the Unit Owners responsibility)	FL. 1	GCE	UOA	54.40%	35.60%	10.00%	
Electrical Meters for GCEs (with any individual meter or submeter related to a Unit or its LCE areas being the Unit Owners responsibility)	PL1	GCE	UOA	54.40%	35.60%	10.00%	
Water Meters for GCEs (with any individual meter or	PL1	GCE	UOA	54.40%	35.60%	10.00%	

**Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)**

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
submeter related to a Unit or its LCE areas being the Unit Owners responsibility)							
Utility Consumption							
Domestic Water for GCEs	Building Wide	GCE	UOA	51.40%	33.60%	15.00%	
Sprinkler Water for GCEs/LCEs	Building Wide	GCE	UOA	51.40%	33.60%	15.00%	
Gas for GCEs	Building Wide	GCE	UOA	38.60%	46.40%	15.00%	
Sanitary Sewer Charges for GCEs	Building Wide	GCE	UOA	51.40%	33.60%	15.00%	
Electrical Charges for GCEs	Building Wide	GCE	UOA	51.40%	33.60%	15.00%	
Condenser Water Charges for GCEs	Building Wide	GCE	UOA	51.40%	33.60%	15.00%	
Telephone/Data Charges for GCEs	Building Wide	GCE	UOA	51.40%	33.60%	15.00%	Monitoring
Utility Consumption for LCEs [excluding utility consumption of equipment of a Unit Owner located in a LCE, which shall be the responsibility of the Unit Owner whose equipment is located in the LCE]		LCE – Applicable Unit Owner	Target & Retail	60.50%	39.50%	0.00%	
Foundation/Superstructure							
Cast-in-place Concrete/Concrete Reinforcement	Fls 1-R	GCE	UOA	60.50%	39.50%	0.00%	
Structural Concrete Framing and Floor Slabs	PL2 & PL1	GCE	Parking	0.00%	0.00%	100.00%	
Structural Steel Framing	Fls 1-R	GCE	UOA	60.50%	39.50%	0.00%	
Structural Steel Framing - Atrium	Fls 1-R	GCE	UOA	54.40%	35.60%	10.00%	
Composite Floor Deck	Fls 1-R	GCE	UOA	60.50%	39.50%	0.00%	
Retaining Walls	Exterior	GCE	UOA	33.30%	21.70%	45.00%	
Footings	PL1 & PL2	GCE	UOA	33.30%	21.70%	45.00%	
Foundation Walls	PL1 & PL2	GCE	UOA	0.00%	0.00%	100.00%	
Slab on Grade - Retail	Floor 1	GCE	UOA	100.00%	0.00%	0.00%	
Slab on Grade - Target Loading/Stock	Floor 1	GCE	UOA	0.00%	100.00%	0.00%	
Slab on Grade - GCEs	Floor 1	GCE	UOA	54.40%	35.60%	10.00%	
Slab at Roof	Roof	GCE	UOA	60.50%	39.50%	0.00%	

Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Foundation Slab at Grade – Parking Garage	PL2	GCE	UOA	0.00%	0.00%	100.00%	
Reinforced Exterior Slab—Rear Drive Through Aisle, Including Waterproofing System	Grade	GCE	UOA	33.30%	21.70%	45.00%	
Interior Parking Ramps	PL1 & PL2	Unit No. 3 Owner	Parking	0.00%	0.00%	100.00%	
Miscellaneous Metals for GCEs	Fls 1-3	GCE	UOA	54.40%	35.60%	10.00%	
Miscellaneous Metals for LCEs	Fls. PL2-R	Footnote #1	Footnote #1	Footnote #1	Footnote #1	Footnote #1	
MEP Equipment Dunnage/Ladders/Catwalks	Fls. PL2-R	Footnote #1	Footnote #1	Footnote #1	Footnote #1	Footnote #1	
Exterior Wall							
Architectural Precast Concrete	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	
Exterior Wall Masonry	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	
Stone or Precast Base/Trim	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	Except at Garage Entry
Coping	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	
Curtainwall	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	
Ground Floor Retail Storefront/Glazing	Exterior Wall	LCE—Unit No. 1	Retail	100.00%	0.00%	0.00%	
Ground Floor Atrium Storefront/Glazing	Exterior Wall	GCE	UOA	54.40%	35.60%	10.00%	
Windows & Glazing	Floors 2 & 3	GCE	UOA	Footnote #3	Footnote #3	0.00%	
Metal Panel Façade	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	
Existing Irving Street Façade	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	
Exterior Wall Louvers, Except Related to Unit No. 3 (Garage) Ventilation System	Façade	GCE	UOA	60.50%	39.50%	0.00%	
Exterior Louvers – Unit No. 3 (Garage) Ventilation System	Façade	GCE	UOA	0.00%	0.00%	100.00%	
Cold Formed Structural Metal Framing	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	
Exterior Wall Drywall/Insulation	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	

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Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Rolldown Doors – Target	Loading Docks	LCE – Unit No. 2	Target	0.00%	100.00%	0.00%	
Rolldown Doors – Retail	Loading Docks	LCE – Unit No. 1	Retail	100.00%	0.00%	0.00%	
Entry Gates at Parking Ramp Entries	Garage Ramps	LCE	Parking	0.00%	0.00%	100.00%	
Exterior Painting	Exterior	GCE	UOA	60.50%	39.50%	0.00%	
Atrium Exterior Doors/Frames	Exterior	GCE	UOA	54.40%	35.60%	10.00%	
Retail Unit Exterior Doors/Frames	Exterior	LCE – Unit No. 1	Retail	100.00%	0.00%	0.00%	
Retail Unit Canopies and Supports	Exterior	LCE – Unit No. 1	UOA	100.00%	0.00%	0.00%	
Atrium Canopy and Supports	Exterior	GCE	UOA	60.50%	39.50%	0.00%	
Exterior Wall Treatment – Roof Top Elevator Machine Rooms	Exterior Wall – Roof Top	GCE	UOA	31.800%	38.20%	30.00%	
Exterior Wall Treatment – Stair Towers, Exclusive of Areas Enclosing Mechanical Spaces	Exterior Wall – Roof Top	GCE	UOA	54.40%	35.60%	10.00%	
Exterior Wall Treatment – Roof Top Mechanical Rooms	Exterior Wall – Roof Top	GCE	UOA	54.40%	35.60%	10.00%	
Soffits Above Parking Ramp Entry	Floor 1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Façade Adjacent to Parking Entry Ramp	Floor 1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Exterior Blade Signage/Identification Monuments - Target	Approved Exterior Wall(s)	LCE- Unit No. 2	Target	0.00%	100.00%	0.00%	
Exterior Signage/Identification Monuments - Retail	GCE Walls including Exterior Wall(s)	LCE--Unit No. 1	Retail	100.00%	0.00%	0.00%	
Exterior Blade Signage at Parking Garage Entries	Approved Exterior Wall(s)	LCE -- Unit No. 3	Parking	0.00%	0.00%	100.00%	
Exterior Signage - DC USA	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	
Exterior Flagpoles/Flags	Exterior Wall	GCE	UOA	60.50%	39.50%	0.00%	
Exterior Soffits	Exterior	GCE	UOA	60.50%	39.50%	0.00%	

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Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Roofing, Thermal & Moisture Protection							
Foundation Waterproofing/Dampproofing	PL2	GCE	UOA	0.00%	0.00%	100.00%	
Thermal Insulation	Ceiling of PL1 & Underside of Fl.1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Roof Deck Insulation	Roof	GCE	UOA	60.50%	39.50%	0.00%	
Roofing	Roof	GCE	UOA	60.50%	39.50%	0.00%	
Roof Traffic Surface	Roof	GCE	UOA	60.50%	39.50%	0.00%	
Roof Penetrations for Mech. Equip. - Target	Roof	GCE	UOA	0.00%	100.00%	0.00%	
Roof Penetrations for Mech. Equip. and other equipment and improvements - Retail	Roof	GCE	UOA	100.00%	0.00%	0.00%	
Roof Penetrations for Mech. Equip. - Parking	Roof	GCE	UOA	0.00%	0.00%	100.00%	
Roof Penetrations for Mech. Equip. - GCEs	Roof	GCE	UOA	48.40%	31.60%	20.00%	
Roof Curbs for Mech. Equipment - Target	Roof	GCE	UOA	0.00%	100.00%	0.00%	
Roof Curbs for Mech. Equipment - Retail	Roof	GCE	UOA	100.00%	0.00%	0.00%	
Roof Curbs for Mech. Equipment - Parking	Roof	GCE	UOA	0.00%	0.00%	100.00%	
Roof Curbs for Mech. Equipment - GCEs	Roof	GCE	UOA	48.40%	31.60%	20.00%	
Sheet Metal Flashing and Trim	Roof	GCE	UOA	60.50%	39.50%	0.00%	
Expansion Joints/Covers	PL2 & PL1	GCE	UOA	0.00%	0.00%	100.00%	
Expansion Joints/Covers	Fls. 1-R	GCE	UOA	60.50%	39.50%	0.00%	
Roof Accessories & Hatches	Roof	GCE	UOA	60.50%	39.50%	0.00%	
Spray-on Fireproofing - Target	Fls. 1-R	GCE	Target	0.00%	100.00%	0.00%	
Spray-on Fireproofing - Retail	Fls 1-R	GCE	Retail	100.00%	0.00%	0.00%	
Spray-on Fireproofing - GCEs	Fls 1-R	GCE	UOA	54.40%	35.60%	10.00%	
Firestopping - Target	Fls. PL2-R	LCE – Unit No. 2	Target	0.00%	100.00%	0.00%	
Firestopping - Retail	Fls. PL2-R	LCE – Unit No. 1	Retail	100.00%	0.00%	0.00%	
Firestopping - GCEs	Fls. PL2-R	GCE	UOA	54.40%	35.60%	10.00%	
Firestopping - Parking	Fls. PL2 & PL1	LCE – Unit No.	Parking	0.00%	0.00%	100.00%	

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				Retail %	Target %	Parking %	
		3					
Interior Construction/Finishes							
Interior Boundary Walls of a Unit (whether with GCEs, LCEs or another Unit)	Fls. PL1-R	Footnote #4	Footnote #4	Footnote #4	Footnote #4	Footnote #4	
Interior Boundary Walls of an LCE (whether with GCEs or a Unit)	Fls. PL2-R	Footnote #4	Footnote #4	Footnote #4	Footnote #4	Footnote #4	
Ceilings - Target	Fls. PL1-R	Unit No. 2	Target	0.00%	100.00%	0.00%	Exclusive of a Slab
Ceilings - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	Exclusive of a Slab
Ceilings - Parking	Fls. PL2 and PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	Exclusive of a Slab
Ceilings - GCEs	Fls. PL2-R	GCE	UOA	54.40%	35.60%	10.00%	
Painting, Flooring, Wall Covering - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Painting, Flooring, Wall Covering -Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Painting, Flooring, Wall Covering- Parking	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Painting, Flooring, Wall Covering - GCEs	Fls. PL2-R	GCE	UOA	54.40%	35.60%	10.00%	
Painting, Flooring, Wall Covering- LCEs	Fls. PL2-R	LCE – Applicable Unit Owner	Footnote # 6	Footnote # 6	Footnote # 6	Footnote # 6	
Wall Protection/Corner Guards - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Wall Protection/Corner Guards - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Wall Protection/Corner Guards - Parking	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Wall Protection/Corner Guards – GCE areas	Fls. PL2-R	GCE	UOA	54.40%	35.60%	10.00%	
Wall Protection/Corner Guards –LCE areas	Fls. PL2-R	LCE	Footnote #6	Footnote #6	Footnote #6	Footnote #6	
Interior Doors/Hardware - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Interior Doors/Hardware - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Interior Doors/Hardware - Parking	Fls. PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Interior Doors/Hardware - GCEs	Fls. PL2-R	GCE	UOA	54.40%	35.60%	10.00%	
Doors/Hardware--LCEs	Fls. PL2-R	LCE – Applicable Unit	Footnote #6	Footnote #6	Footnote #6	Footnote #6	

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Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
		Owners					
Elevator Cab Flooring	Fls. PL2-R	Footnote #1	Footnote #1	Footnote #1	Footnote #1	Footnote #1	
Glazing/Ceramic Tiles	Fls. PL2 & PL1	GCE	UOA	54.40%	35.60%	10.00%	
Conveying Systems & Associated Mechanical, Electrical and Plumbing							
Atrium Lobby Elevators/Shafts/Pits (4)	Fls. PL2- 3	GCE	UOA	31.80%	38.20%	30.00%	Elevators 1, 2, 3 & 4
Target Cart Elevator/Shaft (1)	Fls. PL2-2	Unit No. 2	Target	0.00%	100.00%	0.00%	Elevator 5
Target Cart Elevator Pit (1)	Fl. PL2	LCE- Unit No. 2	Target	0.00%	100.00%	0.00%	Elevator 5
Target In-Store Freight Elevators/Shafts (2)	Target Unit	Unit No. 2	Target	0.00%	100.00%	0.00%	Elevators 6 & 7
Target In-Store Freight Elevator Pit (2)	Fl. PL1	LCE- Unit No. 2	Target	0.00%	100.00%	0.00%	Elevators 6 & 7
Target In-Store Elevators/Shafts (2)	Target Unit	Unit No. 2	Target	0.00%	100.00%	0.00%	Elevators 8A & 8B
Target In-Store Elevator Pit (2)	Retail Unit	LCE- Unit No. 2	Target	0.00%	100.00%	0.00%	Elevators 8A & 8B
Freight Elevators/Shafts - Retail	PL2 & PL1	Unit No. 1	Retail	100.00%	0.00%	0.00%	Elevators 9A, 9B & 10 as well as or in lieu of future Retail Tenant Freight Elevator(s) for Retail Tenanted Space(s) to Parking Levels as may be installed
Freight Elevators Pits - Retail	PL2	LCE-Unit No. 1	Retail	100.00%	0.00%	0.00%	Elevators 9A, 9B & 10 as well as or in lieu of future Retail Tenant Freight Elevator(s) for Retail Tenanted Space(s) to Parking Levels as may be installed
Passenger Elevators – Retail	Fls PL2-3	Unit No. 1	Retail	100.00%	0.00%	0.00%	Elevators 11 & 12 as well

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Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
							as or in lieu of future Retail Tenant Passenger Elevator(s) for Retail Tenanted Space(s) to Parking Levels as may be installed
Passenger Elevator Pits- Retail	PL2	Unit No. 1	Retail	100.00%	0.00%	0.00%	Elevators 11 & 12 as well as or in lieu of future Retail Tenant Passenger Elevator(s) for Retail Tenanted Space(s) to Parking Levels as may be installed
Atrium Lobby Escalators (2)	Fls 1-2	LCE – Unit No. 1 and Unit No. 2	LCE	45.40%	54.60%	0.00%	Escalators 1 & 2
Target In-Store Escalators (2)	Target Unit	Unit No. 2	Target	0.00%	100.00%	0.00%	Escalators 5 & 6
Target In-Store Escalator Pits (2)	Retail Unit	LCE--Unit No. 2	Target	0.00%	100.00%	0.00%	Escalators 5 & 6
Target In-Store Cartolators (2)	Target Unit	Unit No. 2	Target	0.00%	100.00%	0.00%	Escalators 7 & 8
Target In-Store Cartolator Pits (2)	Retail Unit	LCE- Unit No. 2	Target	0.00%	100.00%	0.00%	Escalators 5 & 6
Escalators – Retail	Fls 1-2	Unit No. 1	Retail	100.00%	0.00%	0.00%	Escalators 9, 10, 11, 12
Escalator Pits – Retail	PL1	LCE – Unit No. 1	Retail	100.00%	0.00%	0.00%	Escalators 9, 10, 11, 12
Elevator/Escalator Machine Rooms	Fls. PL2-R	Footnote #1	Footnote #1	Footnote #1	Footnote #1	Footnote #1	
Additional Retail Elevator(s), Machine Room(s) and Pits(s) Not Part of Unit No. 1 - Retail	PL2 & PL1	Unit No. 1 by easement	Unit No. 1	100%	0.00%	0.00%	

Fire Protection/Plumbing

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				Retail %	Target %	Parking %	
Fire Pump	PL1	GCE	UOA	48.40%	31.60%	20.00%	
Sprinkler Risers/Valves	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Sprinkler Systems/Heads - GCE	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Sprinkler Systems/Heads - LCEs	Fls. PL2-R	LCE Applicable Unit Owner	UOA	Footnote #6	Footnote #6		
Sprinkler Systems/Heads -Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Sprinkler Systems/Heads - Target	Fls. 1-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Standpipe System	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Siamese Connections	Exterior	GCE	UOA	48.40%	31.60%	20.00%	
Hose Racks in Public Areas/Egress Stairs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Dry Sprinkler System - Drivethrough	Floor 1	GCE	UOA	48.40%	31.60%	20.00%	
Dry Sprinkler System - Target Loading Docks	Floor 1	Unit No. 2	Target	0.00%	100.00%	0.00%	
Dry Sprinkler System - Retail Loading Docks	Floor 1	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Dry Sprinkler System - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Domestic Water Pumps	PL1	GCE	UOA	48.40%	31.60%	20.00%	
Domestic Water Piping - Target	Fls. PL1-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Domestic Water Piping - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Domestic Water Piping - Parking	Fls. PL2 & 1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Domestic Water Piping - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Domestic Water Piping - LCEs	Fls. PL2-R	LCE Applicable Unit Owner	UOA	Footnote #6	Footnote #6	Footnote #6	
Natural Gas Piping - Target	Fls. PL1-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Natural Gas Piping - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Natural Gas Piping - Parking	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Natural Gas Piping - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Gas Pressure Supply System	PL1	GCE	UOA	60.50%	39.50%	0.00%	
Reduction Pressure Zone Valves (RPZ's)	PL1	GCE	UOA	48.40%	31.60%	20.00%	
Sewage Ejectors	PL2	Unit No. 3	Parking	0.00%	0.00%	100.00%	Serves Unit No. 3 Below

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Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Roof Drains/Stormwater Piping	Fls. PL2-R	GCE	UOA	60.50%	39.50%	0.00%	
Hose Bibs	Exterior	GCE	UOA	48.40%	31.60%	20.00%	
Hose Bibs - Target Loading Area	Loading Dock	Unit No. 2	Target	0.00%	100.00%	0.00%	
Plumbing Fixtures - Target	Fls. 1-3	Unit No. 2	Target	0.00%	100.00%	0.00%	
Plumbing Fixtures - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Plumbing Fixtures - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Plumbing Fixtures - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Elevator Pit Pumps/Drainage	Fls. PL2-G	Footnote #1	Footnote #1	Footnote #1	Footnote #1	Footnote #1	
HVAC Unit Condensate Piping - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
HVAC Unit Condensate Piping - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
HVAC Unit Condensate Piping - Parking	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
HVAC Unit Condensate Piping - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Grease Traps - Target	Fls. 2-3	Unit No. 2	Target	0.00%	100.00%	0.00%	
Grease Traps - Retail	Fls. 1-3	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Sanitary Sewer/Vent Risers	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Sanitary Sewer/Vent Branch Piping - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Sanitary Sewer/Vent Branch Piping - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Sanitary Sewer/Vent Branch Piping - Parking	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Sanitary Sewer/Vent Branch Piping - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Under Slab Drainage Piping	PL2	Unit No. 3	Parking	0.00%	0.00%	100.00%	Serves Solely Unit No. 3
Floor Drains/Trench Drains	PL1 & PL2	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Generator Fuel Oil Tank and Piping	PL1- R	GCE	UOA	48.40%	31.60%	20.00%	
Sand Pits/Filtration System	PL2	GCE	UOA	48.40%	31.60%	20.00%	Below Ramps
Mechanical							
HVAC for GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Elevator Machine Room HVAC	Fls. PL2-R	Footnote #1	Footnote #1	Footnote #1	Footnote #1	Footnote #1	
Cooling Tower	Roof	GCE	UOA	Footnote	Footnote	0.00%	Not used by Parking Unit

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				Retail %	Target %	Parking %	
				#2	#2		
Condenser Water Pumps	Mech. Room	GCE	UOA	Footnote #2	Footnote #2	0.00%	Not used by Parking Unit
Condenser Water Piping - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Condenser Water Piping - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Fan Room/Interior—Portion of Roof Penthouse Above Staircases	R	LCE – Unit No. 3	Parking	0.00%	0.00%	100.00%	
General Exhaust Fans/Ductwork - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
General Exhaust Fans/Ductwork - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
General Exhaust Fans/Ductwork - Parking	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
General Exhaust Fans/Ductwork - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Toilet Exhaust Fans/Ductwork - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Toilet Exhaust Fans/Ductwork - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Kitchen Exhaust Fans, Duct., Hoods - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Kitchen Exhaust Fans, Duct., Hoods - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
HVAC Units - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
HVAC Units - Retail	Fls. PL2 -R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
HVAC Units - Parking	PL2- & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
HVAC Units - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Supply, Exhaust Ductwork, Dampers - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Supply, Exhaust Ductwork, Dampers- Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Supply, Exhaust Ductwork, Dampers- Parking	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Supply, Exhaust Ductwork, Dampers - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Pipe and Duct Insulation - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Pipe and Duct Insulation - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Pipe and Duct Insulation - Parking	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Pipe and Duct Insulation - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Building Management Systems - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	Define/describe
Building Management Systems - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	Define/describe
Building Management Systems - Parking	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	Define/describe
Building Management System - GCEs	Fls. PL2-R	GCE	UOA	54.40%	35.60%	10.00%	Define/describe

Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Mechanical Rooms - Target	Fls. 1-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Mechanical Rooms - Retail	Fls. 1-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Mechanical Rooms - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Mechanical Rooms - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Grilles, Registers and Diffusers - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Grilles, Registers and Diffusers- Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Grilles, Registers and Diffusers - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Grilles, Registers and Diffusers - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Unit Heaters - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Unit Heaters - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Unit Heaters - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Unit Heaters - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Electrical							
Service Switchgear/Transformers - Target	PL1	Unit No. 2	Target	0.00%	100.00%	0.00%	
Service Switchgear/Transformers - Retail	PL1	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Service Switchgear/Transformers - Parking	PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Service Switchgear/Transformers - GCEs	PL1	GCE	UOA	48.40%	31.60%	20.00%	
Panelboards/Disconnect Switches - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Panelboards/Disconnect Switches- Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Panelboards/Disconnect Switches - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Panelboards/Disconnect Switches - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Motor Control Centers - Target	Fls. 1-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Motor Control Centers - Retail	Fls. PL1-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Motor Control Centers - Parking	PL2, PL1 & R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Motor Control Centers - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Electrical Conduits, Wiring - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	

Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Electrical Conduits, Wiring - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Electrical Conduits, Wiring - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Electrical Conduits, Wiring- GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Interior/Exterior Receptacles - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Interior/Exterior Receptacles - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Interior/Exterior Receptacles - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Interior/Exterior Receptacles - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Interior Lighting - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Interior Lighting - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Interior Lighting - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Interior Lighting - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Interior Lighting - LCEs	Fls. PL2-R	LCE Applicable Unit Owner	Footnote # 6	Footnote # 6	Footnote # 6	Footnote # 6	
Exterior Lighting (Including Soffit Lighting)	Exterior	GCE	UOA	48.40%	31.60%	20.00%	
Emergency Generator - Retail/Parking/GCEs	Roof	GCE	UOA	48.40%	31.60%	20.00%	
Emergency Generator- Target	Roof	Unit No. 2	Target	0.00%	100.00%	0.00%	
Security/CCTV Systems - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Security/CCTV Systems - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Security/CCTV Systems - Parking	PL2 & PL1	Unit No. 3	UOA	0.00%	0.00%	100.00%	
Security/CCTV Systems - GCEs	Fls. PL2-R	GCE	UOA	54.40%	35.60%	10.00%	
Security/CCTV Systems - LCEs	Fls. PL2-R	LCE Applicable Unit Owner	Footnote # 6	Footnote # 6	Footnote # 6	Footnote # 6	
Fire Alarm System. Wiring/Devices/Panels/Rooms - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Fire Alarm System. Wiring/Devices/Panels/Rooms - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Fire Alarm System. Wiring/Devices/Panels/Rooms - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Fire Alarm System. Wiring/Devices/Panels/Rooms -	Fls. PL2-R	GCE	UOA	54.40%	35.60%	10.00%	

Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
GCEs							
Fire Alarm System. Wiring/Devices/Panels - LCEs	Fls. PL2-R	LCE – Applicable Unit Owner	UOA	Footnote # 6	Footnote # 6	Footnote # 6	
Fire Alarm Central Station - Target	Fls. 1-3	Unit No. 2	Target	0.00%	100.00%	0.00%	
Fire Alarm Central Station - Retail	Fls. 1-3	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Fire Alarm Central Station - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Fire Alarm Central Station - GCEs	Fls. PL2-R	GCE	UOA	54.40%	35.60%	10.00%	
Heat Tracing - Target	Fls. PL2-R	Unit No. 2	Target	0.00%	100.00%	0.00%	
Heat Tracing - Retail	Fls. PL2-R	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Heat Tracing - Parking	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Heat Tracing - GCEs	Fls. PL2-R	GCE	UOA	48.40%	31.60%	20.00%	
Heat Tracing - LCEs	Fls. PL2-R	LCE – Applicable Unit Owner	UOA	Footnote # 6	Footnote # 6	Footnote # 6	
Egress Stairs/Corridors							
Egress Stairs, Doors, Hardware	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Egress Stairs, Doors, Hardware	Fls. 1-R	GCE	UOA	60.50%	39.50%	0.00%	
Egress Stairs Lighting, Exit Signs	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Egress Stairs Lighting, Exit Signs	Fls. 1-R	GCE	UOA	60.50%	39.50%	0.00%	
Loading Areas							
Retail Loading Docks/Levelers/Equipment	Loading Dock	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Target Loading Docks/Levelers/Equipment	Loading Dock	Unit No. 2	Target	0.00%	100.00%	0.00%	
Retail Exterior Loading Dock Lighting	Loading Dock	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Target Exterior Loading Dock Lighting	Loading Dock	Unit No. 2	Target	0.00%	100.00%	0.00%	
Retail Loading Dock Exhaust Fans/Ductwork	Loading Dock	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Target Loading Dock Exhaust Fans/Ductwork	Loading Dock	Unit No. 2	Target	0.00%	100.00%	0.00%	

Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Parking Levels							
Parking Control Equipment	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Cart Corrals and Related Easement Areas – Target/Retail	PL2 & PL1	Unit No. 1 and Unit No. 2 by easement	UOA	41.05%	58.95%	0.00%	
Loading Zones/Retail Areas - Target	PL2 & PL1	Unit No. 2	Target	0.00%	100.00%	0.00%	
Loading Zones/Retail Areas - Retail	PL2 & PL1	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Parking Striping	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
	PL2, PL1 and Exterior of Building a Parking Garage Entry Points on GCEs at approved locations	LCE--Unit No. 3	Parking	0.00%	0.00%	100.00%	
Parking Wayfinding & Operational Signage							
Parking Level Retail Tenant Identification Monuments	PL2 & PL1	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Parking Level Target Identification Monuments	PL2 & PL1	Unit No. 2	Target	0.00%	100.00%	0.00%	
Parking Wall Painting	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Garage Ventilation System/Fans	Fls. PL2-R	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Parking Levels Security System	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Garage Lighting/Emergency Lighting	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Parking Manager's Office/Staff Toilets	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Guard Rails	PL2 & PL1	Unit No. 3	Parking	0.00%	0.00%	100.00%	
Atrium							
Entry Doors/Glass Rolldown Grilles to Target	Fls. 2-3	Unit No. 2	Target	0.00%	100.00%	0.00%	

Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Entry Doors/Glass Rolldown Grilles to Retail	Fls. 1-3	Unit No. 1	Retail	100.00%	0.00%	0.00%	
Building Directory/Signage	Fls. PL2-3	LCE – Unit No. 1 and Unit No. 2	LCE	60.50%	39.50%	0.00%	
Advertising Signage	Fls. 1-3	LCE --Unit No. 1	Retail	100.00%	0.00%	0.00%	
Atrium Lighting	Fls. 1-3	GCE	UOA	48.40%	31.60%	20.00%	
Atrium Flooring	Fls. 1-3	GCE	UOA	54.40%	35.60%	10.00%	
Atrium HVAC Unit (s)/Controls	Roof	GCE	UOA	48.40%	31.60%	20.00%	
Atrium Ductwork, Air Outlets, Grilles	Fls. 1-3	GCE	UOA	48.40%	31.60%	20.00%	
Architectural Woodwork/Decorative Finishes	Fls. 1-3	GCE	UOA	54.40%	35.60%	10.00%	
Entry Mats	Fls. 1-3	GCE	UOA	54.40%	35.60%	10.00%	
Atrium Smoke Purge Ductwork/System	Fls. 1-3	GCE	UOA	48.40%	31.60%	20.00%	
Glass/Metal Railings	Fls. 1-3	GCE	UOA	54.40%	35.60%	10.00%	
Management/Security Offices	Fls. 1-3	GCE	UOA	54.40%	35.60%	10.00%	
Janitor's Closet/Storerooms	Fls. 1-R	GCE	UOA	54.40%	35.60%	10.00%	
Interior Glazing	Fls. 1-3	GCE	VOA	54.40%	35.60%	10.00%	
Miscellaneous							
Property & Casualty Insurance		GCE	UOA	Footnote #5	Footnote # 5	Footnote # 5	
Building Replacement including of GCEs and LCEs due to fire or other casualty or voluntary demolition		GCE	UOA	40.00%	25.00%	35.00%	
Condominium Liability Insurance		GCE	UOA	33.30%	21.70%	45.00%	
Community Relations		GCE	UOA	33.30%	21.70%	45.00%	
Condominium Accounting & Legal (other than Accounting and Legal for LCEs)		GCE	UOA	45.50%	29.00%	25.50%	
Accounting & Legal for LCEs		GCE	UOA	66.90%	33.10%	0.00%	

Schedule A to Bylaws
DC USA Condominium
(Footnotes and Key Code Located at End of Schedule A)

Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
Condominium Management Fee		GCE	UOA	45.50%	29.00%	25.50%	
Property Management Fee for LCEs		GCE	UOA	66.90%	33.10%	0.00%	
Security Personnel for GCEs		GCE	UOA	51.40%	33.60%	15.00%	
Security Personnel for Parking for Unit No. 3	PL1 & PL2	Unit No. 3	UOA	0.00%	0.00%	100.00%	
Security Equipment and Vehicles for Unit No. 3	PL1 & PL2	Unit No. 3	UOA	0.00%	0.00%	100.00%	
Cleaning Personnel/Supplies for GCEs		GCE	UOA	51.40%	33.60%	15.00%	

FOOTNOTES:

¹ Allocation is the same as associated elevator and/or mechanical equipment (e.g. if element is part of a "Unit" but located outside boundary of Unit, then the Unit Owner is the "Owner" and responsible for, and is allocated Common Expenses thereof; if element is a General Common Element, then these items are GCEs for which UOA is responsible and allocation of Common Expenses thereof addressed accordingly; if element is a Limited Common Element, then the items are all LCE to the Unit(s) so benefited, and the Unit Owners thereof shall be the responsible party(s).

² Allocated by connected tonnage. Tonnage associated with GCEs will be Retail -54.40%, Target 35.60%, Parking 10%.

³ Target is responsible for glazing for windows of Unit No. 2. Retail unit responsible for balance of glazing on 2nd & 3rd Floors of Building.

⁴ Applies to interior boundary walls only and not to any boundary of a Unit or a LCE formed by one or more exterior walls of the Building. Responsibility and Common Expenses will be allocated based upon the spaces abutting the partition in question. For example, a partition that divides a GCE and Target will be allocated 50% to GCE and 50% to Target. [Note: Any partitioning of the space within a Unit is deemed part of that Unit.]

⁵ Allocation based on the relative replacement cost of the Units as determined by insurance carriers providing Special Form Coverage (or comparable) from time to time.

⁶ Allocation of interest, responsibility and costs based on the Unit(s) that benefit from particular LCEs, and where more than one Unit is benefited, the responsibility and costs shall be allocated prorata among the benefited Unit Owners in proportion of their respective interests in the particular LCE.

KEY: GCE - General Common Elements
 LCE - Limited Common Elements

<p align="center">Schedule A to Bylaws DC USA Condominium (Footnotes and Key Code Located at End of Schedule A)</p>							
Building Component	Location	Ownership Interest	Responsibility For Operations, Maintenance, Repairs and Replacements	Common Expenses Allocations			Comment
				Retail %	Target %	Parking %	
UOA -	Unit Owners Association						
Parking (aka Unit No. 3)	Unit No. 3 Owner						
Retail (aka Unit No. 1)	Unit No. 1 Owner						
Target (aka Unit No. 2)	Unit No. 2 Owner						
PL2	Lower Parking Level of the Building						
PL1	Upper Parking Level of Building						
1	First Floor or Ground Level of Building						
2	Second Floor of Building						
3	Third Floor of Building						
R	Roof Level of the Building						
<p>Note: Terms used in this Schedule A shall have the meaning as given in the Bylaws or the Declaration of the DC USA Condominium.</p>							


Appendix A
to
Declaration
for DC USA CONDOMINIUM

**TRUSTEE'S JOINDER, CONSENT AND SUBORDINATION
TO DECLARATION FOR DC USA CONDOMINIUM**

On this 26th day of March 2008, the undersigned, Verdugo Trustee Service Corporation, Trustee under that certain Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing, dated February 15, 2006, securing Citicorp USA, Inc. ("Lender"), recorded on February 16, 2006, among the land records of the Office of the Recorder of Deeds of the District of Columbia as Instrument No. 2006021130 (the "Deed of Trust"), encumbering the land, including the improvements thereon and the appurtenances thereto, described as the Unit No. 1, Unit No. 2 and Unit No. 3 in the Declaration for DC USA Condominium (the "Declaration") to which this Trustee's Joinder, Consent and Subordination is appended, with full authority from the beneficiary secured under said Deed of Trust as reflected in Appendix A-1 attached hereto, does hereby consent to the terms and conditions of the foregoing Declaration, and covenants and agrees that the lien, effect and operation of said Deed of Trust be subject and subordinate to the effect and operation of the Declaration, said Deed of Trust otherwise to remain unmodified and in full force and effect; provided that such consent and subordination shall not be construed as subordinating the terms and conditions of the Deed of Trust to the terms and conditions of the Declaration or as deferring to the terms and conditions of the Declaration in the event of any conflict, it being the intent that the terms and conditions of the Deed of Trust shall govern in any such event and that such consent and subordination shall be effective solely to the extent necessary to permit the creation of a condominium regime form of ownership.

IN WITNESS WHEREOF, Verdugo Trustee Service Corporation, has caused this instrument to be executed by Richard M. Fitzgerald, its Vice President, and does hereby appoint said Richard M. Fitzgerald as its attorney-in-fact for purposes of executing, acknowledging and delivering this instrument, for and on behalf of said corporation, all as of the day and year first hereinabove written.

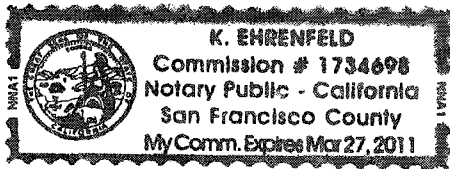
VERDUGO TRUSTEE SERVICE CORPORATION

By: 
Name: Richard M. Fitzgerald
Title: VP

California)
San Francisco) ss:

BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date Richard M. Fitzgerald, personally well known (or satisfactorily proven) to me to be the person whose name is subscribed to the foregoing and annexed Instrument, who, being by me first duly sworn, did depose and state that he is the Vice President and attorney-in-fact of Verdugo Trustee Service Corporation, which entity is a party to the foregoing and annexed Instrument, and that he, being duly authorized so to do, executed said Instrument on behalf of said entity and acknowledged the same as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 26 day of March 2008.



K. Ehrenfeld
Notary Public
[Notarial Seal]

My Commission Expires:

APPENDIX A-1

BENEFICIARY'S AUTHORIZATION TO TRUSTEE

On this 26th day of March 2008, Citicorp USA, Inc., Beneficiary under that certain Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing, dated February 15, 2006, securing Citicorp USA, Inc. ("Lender"), recorded on February 16, 2006, among the land records of the Office of the Recorder of Deeds of the District of Columbia as Instrument No. 2006021130 (the "Deed of Trust"), hereby authorizes Verdugo Trustee Service Corporation, Trustee, to execute the annexed Trustee's Joinder, Consent and Subordination for the purposes set forth therein.

IN WITNESS WHEREOF, Citicorp USA Inc., has caused this instrument to be executed by Priya Jayachandran its Vice president, and does hereby appoint said Priya Jayachandran as its attorney-in-fact for purposes of executing, acknowledging and delivering this instrument, for and on behalf of said corporation, all as of the day and year first hereinabove written.

CITICORP USA, INC.

By: [Signature]
Name: Priya Jayachandran
Title: Vice president

District of Columbia)
) ss:
)

BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date Priya Jayachandran, personally well known (or satisfactorily proven) to me to be the person whose name is subscribed to the foregoing and annexed Instrument, who, being by me first duly sworn, did depose and state that she is the Vice President and attorney-in-fact of Citicorp USA, Inc., which entity is a party to the foregoing and annexed Instrument, and that she, being duly authorized so to do, executed said Instrument on behalf of said entity and acknowledged the same as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 26th day of March 2008.

[Signature]
Notary Public
[Notarial Seal]

My Commission Expires:

ELSA ARAYA
Notary Public, District of Columbia
My Commission Expires 09-14-2011


Appendix B
to
Declaration

**TRUSTEE'S JOINDER, CONSENT AND SUBORDINATION
TO DECLARATION FOR DC USA CONDOMINIUM**

On this 26th day of March 2008, the undersigned, Verdugo Trustee Service Corporation, Trustee under that certain Indemnity Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing, dated February 15, 2006, securing Citicorp North America, Inc. ("Lender"), recorded on February 16, 2006, among the land records of the Office of the Recorder of Deeds of the District of Columbia as Instrument No. 2006021132 (the "Deed of Trust"), encumbering the land, including the improvements thereon and the appurtenances thereto, described as the Unit No. 1, Unit No. 2 and Unit No. 3 in the Declaration for DC USA Condominium (the "Declaration") to which this Trustee's Joinder, Consent and Subordination is appended, with full authority from the beneficiary secured under said Deed of Trust as reflected in Appendix B-1 attached hereto, does hereby consent to the terms and conditions of the foregoing Declaration, and covenants and agrees that the lien, effect and operation of said Deed of Trust be subject and subordinate to the effect and operation of the Declaration, said Deed of Trust otherwise to remain unmodified and in full force and effect; provided that such consent and subordination shall not be construed as subordinating the terms and conditions of the Deed of Trust to the terms and conditions of the Declaration or as deferring to the terms and conditions of the Declaration in the event of any conflict, it being the intent that the terms and conditions of the Deed of Trust shall govern in any such event and that such consent and subordination shall be effective solely to the extent necessary to permit the creation of a condominium regime form of ownership.

IN WITNESS WHEREOF, Verdugo Trustee Service Corporation, has caused this instrument to be executed by Richard M. Fitzgerald, its Vice President, and does hereby appoint said Richard M. Fitzgerald as its attorney-in-fact for purposes of executing, acknowledging and delivering this instrument, for and on behalf of said corporation, all as of the day and year first hereinabove written.

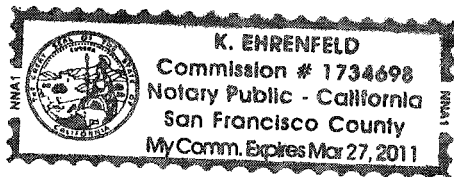
VERDUGO TRUSTEE SERVICE CORPORATION

By: 
Name: Richard M. Fitzgerald
Title: VP

California)
San Francisco) ss:

BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date Richard M. Fitzgerald, personally well known (or satisfactorily proven) to me to be the person whose name is subscribed to the foregoing and annexed Instrument, who, being by me first duly sworn, did depose and state that he is the Vice President and attorney-in-fact of Verdugo Trustee Service Corporation, which entity is a party to the foregoing and annexed Instrument, and that he, being duly authorized so to do, executed said Instrument on behalf of said entity and acknowledged the same as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 26 day of March 2008.



K. Ehrenfeld
Notary Public
[Notarial Seal]

My Commission Expires:

RECORDING
SURCHARGE
COPIES
CERTIFICATION

\$ 587.00
\$ 6.50
\$ 186.75
\$ 2.25

APPENDIX B-1

BENEFICIARY'S AUTHORIZATION TO TRUSTEE

On this 26th day of March 2008, Citicorp North America, Inc., Beneficiary under that certain Indemnity Deed of Trust, Assignment of Leases, Security Agreement, and Fixture Filing, dated February 15, 2006, securing Citicorp North America, Inc. ("Lender"), recorded on February 16, 2006 among the land records of the Office of the Recorder of Deeds of the District of Columbia as Instrument No. 2006021132, (the "Deed of Trust") hereby authorizes Verdugo Trustee Service Corporation, Trustee, to execute the annexed Trustee's Joinder, Consent and Subordination for the purposes set forth therein.

IN WITNESS WHEREOF, Citicorp North America, Inc., has caused this instrument to be executed by Priya Jayachandran its Vice president, and does hereby appoint said Priya Jayachandran as its attorney-in-fact for purposes of executing, acknowledging and delivering this instrument, for and on behalf of said corporation, all as of the day and year first hereinabove written.

CITICORP NORTH AMERICA, INC.

By: [Signature]
Name: Priya Jayachandran
Title: Vice president

District of Columbia)
) ss:
)

Doc# 2008034085 Fees: \$782.50
03/31/2008 11:19AM Pages 83
Filed & Recorded in Official Records of
WASH DC RECORDER OF DEEDS LARRY TODD

BEFORE ME, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date Priya Jayachandran, personally well known (or satisfactorily proven) to me to be the person whose name is subscribed to the foregoing and annexed Instrument, who, being by me first duly sworn, did depose and state that she is the Vice President and attorney-in-fact of Citicorp North America, Inc., which entity is a party to the foregoing and annexed Instrument, and that she, being duly authorized so to do, executed said Instrument on behalf of said entity and acknowledged the same as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 26th day of March 2008.

ELSA ARAYA
Notary Public, District of Columbia
My Commission Expires **09-14-2011**

[Signature]
Notary Public
[Notarial Seal]

My Commission Expires:



MAR 31 2008

Sylvia Bellway
THIS IS TO CERTIFY THAT THIS IS A TRUE COPY
Harry J. Todd
Recorder of Death, D.C.

**DISTRICT OF COLUMBIA AGREEMENT
WITH CITICORP NORTH AMERICA, INC
& DC USA OPERATING CORP, LLC
PAGES 149-164**

AGREEMENT

THIS AGREEMENT ("Agreement") is entered into as of the 13th day of June 2008, by and between the **DISTRICT OF COLUMBIA**, a body corporate and politic, existing under the Constitution and laws of the United States (the "District"), **CITICORP NORTH AMERICA, INC.**, a Delaware corporation ("Citicorp"), and **DC USA OPERATING CORP LLC**, a Delaware limited liability company ("Developer").

WITNESSETH

WHEREAS, Developer has developed a retail center in the District of Columbia known as DC USA which includes a two level underground parking garage and has been subjected to a condominium ownership regime; and

WHEREAS, National Capital Revitalization Corporation ("NCRC") contracted with Developer to purchase the condominium unit comprised of the parking garage; and

WHEREAS, NCRC issued its \$46,900,000 Variable Rate Revenue Bonds (DC USA Parking Garage Project) Series 2006 (the "Bonds") pursuant to a certain Indenture of Trust between NCRC and Wells Fargo Bank, N.A., as trustee, dated as of February 1, 2006 (the "Original Indenture"), the proceeds of which were to be used to finance its purchase of the parking garage; and

WHEREAS, Citicorp is the purchaser of all of the Bonds; and

WHEREAS, pursuant to the National Capital Revitalization Corporation and Anacostia Waterfront Corporation Reorganization Clarification Emergency Act of 2007, D.C. Law 17-71, enacted by the Council of the District of Columbia (the "Act"), NCRC dissolved as of October 1, 2007, and all of its assets and obligations were vested in and assumed by the Mayor of the District of Columbia; and

WHEREAS, pursuant to a certain Agreement between the District and Citicorp, dated September 27, 2007, Citicorp consented to the amendment and restatement of the Original Indenture (as so amended and restated, the "Indenture"); and

WHEREAS, the condominium documents for the Parking Garage Project (as such term is defined in the Indenture) and certain related documents originally approved by Developer, NCRC and Citicorp have been or will be modified;

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Citicorp, the Developer and the District hereby covenant and agree as follows:

1. Definitions. For purposes of this Agreement each of the following terms shall have the respective meanings ascribed to such terms below. Capitalized terms

used but not defined in this Agreement shall have the respective meanings ascribed to such terms in the Indenture.

- (a) "Anti-Deficiency Laws" shall mean (i) the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1349-1351 1511-1519 (2006), and D.C. Official Code §§ 1-206.03(e) and 47-105 (2006 Repl.) and (ii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08 (2005 Repl. and 2007 Supp.), in each case as amended from time to time.
- (b) "Asset Management Agreement" shall mean an agreement between the District and the Asset Manager, including the Initial Asset Management Agreement, pursuant to which the Asset Manager is to provide asset management and related services with respect to the Parking Garage Project.
- (c) "Asset Manager" shall mean the party providing asset management services in respect of the Parking Garage Project. The initial Asset Manager for the Parking Garage Project shall be Spectrum Management LLC.
- (d) "Capital Expenses" shall mean costs for improvements, replacements or refurbishments of the Parking Garage Project that are treated as capital expenses under generally accepted accounting principles consistently applied.
- (e) "Capital Reserve Deposit Amount" shall mean Two Hundred and Fifty Thousand Dollars (\$250,000) with respect to the 2008 Fiscal Year and shall increase by two and one-half percent (2.5%) for each Fiscal Year thereafter.
- (f) "Capital Reserve Fund" shall mean the fund or account created by the District and held for purposes of paying Capital Expenses as provided for in Section 5(e) of this Agreement.
- (g) "Condominium" shall mean the DC USA Condominium established pursuant to the Condominium Documents.
- (h) "Condominium Documents" shall mean the documents and instruments establishing the DC USA Condominium, including but not limited to the Declaration for DC USA Condominium executed by the Developer, as "Declarant", the By-Laws for DC USA Condominium, and the Declaration of Parking Operations executed by the Developer, as "Declarant".
- (i) "Council" means the Council of the District of Columbia.
- (j) "District Parking Concessions" shall mean the value, according to then-applicable parking rates, of all discounted, validated and free parking

granted by the Parking Manager or the District, except for discounts, validations or free parking afforded pursuant to arrangements established in accordance with the Parking Declaration or approved by the Condominium unit owners.

- (k) "EDSAF" shall mean the Economic Development Special Account Fund established under the Act or any successor non-lapsing fund.
- (l) "Excess Capital Expense" shall mean the portion of a Capital Expense incurred that (i) exceeds the amount then available for such expense in the Capital Reserve Fund, and (ii) if the Bonds are Outstanding at the time such expense is incurred, has been approved by Citicorp, which approval shall not be unreasonably withheld.
- (m) "Excess Capital Expense Amount" shall mean the amount of any Excess Capital Expense amortizable for the applicable Fiscal Year, in accordance with generally accepted accounting principles consistently applied.
- (n) "Fiscal Year" shall mean the twelve-month period from October 1 through September 30 of each calendar year or such other twelve-month period as the District may designate as its fiscal year in accordance with generally accepted accounting principles consistently applied, provided that the first Fiscal Year may be prorated in accordance with generally accepted accounting principles consistently applied.
- (o) "Gross Revenues" shall mean all receipts and revenues received by the Parking Manager or otherwise received by or on behalf of the District in connection with the parking of vehicles in the Parking Garage Project, and any other income generated in connection with the Parking Garage Project, including but not limited to fees, commissions and other income from vending machines, pay telephones, and ATM machines located within the Parking Garage Project, received by the Parking Manager or otherwise received by or on behalf of the District, and, for so long as the Bonds are Outstanding, including any District Parking Concessions, but excluding all sales taxes or other charges required to be remitted to any governmental authority in its governmental capacity.
- (p) "Initial Asset Management Agreement shall mean the Asset Management Agreement between Spectrum Management LLC and the District.
- (q) "Initial Parking Management Agreement shall mean the Parking Management Agreement between District of Columbia Parking Associates and the District.
- (r) "Mayor" shall mean the Mayor of the District of Columbia.

- (s) "Net Revenues" shall mean, with respect to a Fiscal Year or any other period of time, the difference between Gross Revenues and Operating Expenses for such Fiscal Year or other period of time.
- (t) "Operating Expenses" shall mean the expenses of operating the Parking Garage Project as determined under generally accepted accounting principles consistently applied, including, but not limited to, (i) the Operating Expenses defined as such in the Initial Parking Management Agreement (including the fees and incentive fees paid to the Parking Manager under the Parking Management Agreement), (ii) operating expenses payable directly by the District, including expenses payable (or which would be payable but for the limitations imposed by the Anti-Deficiency Laws) under the Condominium Documents, whether denominated as common expenses, limited common expenses, special expenses or otherwise, including but not limited to amounts payable under the Parking Declaration, (iii) utility expenses and insurance premiums attributable to the Parking Garage Project, (iv) operating expenses paid by the Asset Manager pursuant to the Asset Management Agreement, (v) fees of the Asset Manager payable under the Asset Management Agreement, (vi) payments for the cost of repairs to, or (to the extent not constituting Capital Expenses) replacements at, the Parking Garage Project, (vii) budgeted lease payments for equipment located at the Parking Garage Project that are not treated as Capital Expenses under generally accepted accounting principles consistently applied, (viii) funding and replenishment of the Operating Reserve Fund as provided for in this Agreement, (ix) Excess Capital Expense Amounts, and (x) funding of the Capital Reserve Fund as provided for in this Agreement. For purposes of this Agreement "Operating Expenses" shall not include depreciation, amortization or other non-cash charges except for Excess Capital Expense Amounts.
- (u) "Operating Reserve Fund" shall mean the fund or account created by the District and held for the purpose of paying unfunded Operating Expenses, as described in Section 5(d) of this Agreement.
- (v) "Parking Declaration" shall mean the Declaration of Parking Operations executed by the Developer, as "Declarant" with respect to the Parking Garage Project.
- (w) "Parking Manager" shall mean the party providing parking management services pursuant to the Parking Management Agreement. The initial Parking Manager shall be District of Columbia Parking Associates, a District of Columbia general partnership.
- (x) "Parking Management Agreement" shall mean an agreement between the District and the Parking Manager, including the Initial Parking Management Agreement, pursuant to which the Parking Manager is to

provide parking management services with respect to the Parking Garage Project.

- (y) "Parking Operations Committee" shall have the meaning ascribed to such term in the Parking Declaration.
 - (z) "Pledged Operating Fund" shall mean the fund or account created by the District into which all Gross Revenues shall be deposited on a bi-weekly basis, as described in Section 5(b) of this Agreement, and the amounts deposited therein, after payment of Operating Expenses, shall be subject to a valid, binding and perfected security interest for the benefit of the Bondholders pursuant to Section 490 of the Home Rule Act.
 - (aa) "Purchase Order" shall mean a purchase order or other mechanism by which the District legally commits appropriated funds to be used for a specified purpose.
 - (bb) "Task Order" shall mean a task order or other mechanism by which the District authorizes a contractor to commence work or to provide goods or services pursuant to a contract in an amount not in excess of the amount specified in the task order and for a duration specified in the task order.
 - (cc) "Trustee" shall mean the trustee under the Indenture.
2. Term of Agreement. This Agreement shall remain in effect until such time as neither the District nor any of its instrumentalities is the owner of the Parking Garage Project, provided that if the District or any of its instrumentalities is the owner of the Parking Garage Project when the Bonds are no longer Outstanding then the provisions of Sections 6 and 7, Subsections 4(c), (d) and (e), and the security interests pledged pursuant to Section 490 of the Home Rule Act, shall thereafter cease to be in effect, provided further that the foregoing proviso is not intended and shall not be construed to affect the terms, conditions or applicability of the Condominium Documents (including the Parking Declaration) after the Bonds are no longer Outstanding or the funding of the Operating Reserve Fund and the Capital Reserve Fund as provided for in this Agreement.
3. Ownership and Operation of the Parking Garage Project. The District shall comply with its obligations under the Garage Purchase Agreement and shall take title to the Parking Garage Project pursuant thereto as soon as practicable hereafter.
4. Parking Garage Project Budget; Financial Statements; Other Information.
- (a) The District shall prepare a Parking Garage Project budget for each Fiscal Year, which budget shall include one hundred ten percent (110%) of the Operating Expenses (excluding items (viii), (ix) and (x) thereof) reasonably estimated to be payable by the District (collectively, the "Parking Garage Project Budget"). The Mayor shall include in the

Mayor's proposed annual District budget submitted to the Council pursuant to §1-204.42 of the D.C. Code, the amounts specified in the Parking Garage Project Budget. In the event that, during any Fiscal Year, expenses are incurred or reasonably anticipated that exceed the amount appropriated by the Congress for the Parking Garage Project Budget then, if the District would be obligated to pay such expenses if funds were legally available therefor, then the Mayor shall endeavor in good faith to identify and obtain additional available funds (including any funds available pursuant to the Act or, if necessary, seeking additional appropriations), and, if legally required, the Mayor shall seek lawful authority to allocate and spend the necessary additional funds, provided that, the District shall not be in default of this Agreement by virtue a failure by the Council or Congress to authorize any such funding and appropriation authority.

- (b) Not later than when the Mayor sends the proposed annual District budget to the Council, the District shall forward to the Parking Operations Committee and, if the Bonds are still Outstanding, Citicorp, the Parking Garage Project Budget, plus the projected Gross Revenues that the District reasonably expects to receive during the next Fiscal Year.
- (c) The District shall direct the Parking Manager to send a copy of the Parking Manager's Monthly Report (as defined in the Parking Management Agreement) to Citicorp at the same time as the Monthly Report is sent to the District.
- (d) The District shall direct the Asset Manager to forward to Citicorp a copy of all financial reports regarding the operation of the Parking Garage Project sent to the District, including, but not limited to, all charges of and costs paid by the Asset Manager with regard to the Parking Garage Project.
- (e) In addition to the foregoing, (i) at the same time as the District releases its annual Comprehensive Annual Financial Report, the District shall provide to Citicorp an accounting of all amounts deposited into and paid from the Pledged Operating Fund and all amounts paid from the Operating Reserve Fund, and (ii) the District shall provide to Citicorp such other information regarding the Parking Garage Project, including but not limited to information regarding the operation or finances of the Parking Garage Project, as is in the possession or reasonable control of Office of the Deputy Mayor for Planning and Economic Development, or such other branch of the District as is then responsible for the operation of the Parking Garage Project and as Citicorp may from time to time reasonably request.
- (f) In addition to the reports and information to be provided to Citicorp pursuant to Subsections 4(c), 4(d) and 4(e) above, the District shall

provide to the Parking Operations Committee the following: (i) annually in conjunction with the issuance by the District of its Comprehensive Annual Financial Report, a statement of accounts as to the Capital Reserve Fund and as to the Operating Reserve Fund, apprising the Parking Operations Committee of activity in each fund during the prior fiscal year, and (ii) prior to each disbursement from the Capital Reserve Fund and from the Operating Reserve Fund, the District shall give written notice to the Parking Operations Committee of the District's intent to make a disbursement from the applicable Fund to cover District obligations, with a brief description of the obligation that will be so funded.

5. Appropriations, Collections and Maintenance of Reserves.

- (a) In furtherance of, and without limiting, its covenants in the Condominium Documents with respect to its undertaking to seek funds sufficient to discharge its financial obligations thereunder, the Mayor agrees that the Mayor shall, as soon as permitted in respect of each Fiscal Year issue such Purchase Orders or Task Orders as are sufficient for the District's obligations to pay for the operations of, and goods and services provided to the District for, the Parking Garage Project, including but not limited to Purchase Orders or Task Orders to the Parking Manager, the Asset Manager, and the Unit Owners Association. The District represents that for the 2008 Fiscal Year it has identified \$1,300,000 of funds in the budget of the Office of the Deputy Mayor for Economic Development as lawfully available for the operations of the Parking Garage Project, including the funding of reserve accounts associated therewith, and that it has issued the requisite Purchase Orders or Task Orders as applicable.
- (b) The Mayor shall create a fund or account under the EDSAF into which all Gross Revenues shall be deposited immediately upon receipt by the District (the "Pledged Operating Fund"). No money shall be expended from the Pledged Operating Fund except for Operating Expenses and debt service on the Bonds. At the end of each Fiscal Year, with the exception of the amounts necessary to pay the Parking Manager's fees and expenses for the first month of the next Fiscal Year and to pay the annual Incentive Fee earned by the Parking Manager for the immediately completed Fiscal Year, the remaining amounts in the Pledged Operating Fund shall be applied as follows: (i) to replenish any amounts expended in the Operating Reserve Fund to bring the amount of the Fund back to \$500,000; (ii) to pay up to the Capital Reserve Deposit Amount to the Capital Reserve Fund; and (iii) to use the remaining amounts to pay debt service on the Bonds. Pursuant to Section 490(a)(4) of the Home Rule Act, the Pledged Operating Fund shall be and is hereby pledged to pay debt service on the Bonds, after the payments described in this subsection (c)
- (c) Except as otherwise permitted by applicable law, the amounts deposited into the Pledged Operating Fund which are utilized for payment of

Operating Expenses, including the funding of reserve accounts, must be budgeted and appropriated for such purposes. The Mayor shall, from time to time, use reasonable efforts to obtain such consents, approvals, appropriations or other authorizations as may be necessary so that the Pledged Operating Fund shall at all times be legally available for use in connection with the Parking Garage Project over and above the payment of debt service. The Mayor shall use reasonable efforts to obtain such consents, approvals, appropriations or other authorizations on a non-lapsing basis or, if not legally available on a non-lapsing basis, then for the longest term permitted by law. Pursuant to Section 490 of the Home Rule Act, amounts in the Pledged Operating Fund which are to be used to pay debt service on the Bonds are not subject to Congressional appropriations and shall be disbursed to the Trustee at the end of each Fiscal Year in accordance with this Agreement.

- (d) The District shall utilize the first \$500,000 of Gross Revenues received in Fiscal Year 2008 to create and maintain a general operating reserve fund or account of \$500,000 (the "Operating Reserve Fund") within the EDSAF. The Mayor shall, from time to time, use reasonable efforts to obtain such consents, approvals, appropriations or other authorizations as may be necessary so that the Operating Reserve Fund may be funded and replenished and shall at all times be legally available for use in connection with the Operating Expenses of the Parking Garage Project. The Mayor shall use reasonable efforts to obtain such consents, approvals, appropriations or other authorizations on a non-lapsing basis or, if not legally available on a non-lapsing basis, then for the longest term permitted by law. The Operating Reserve Fund shall be used solely for amounts that are incurred in excess of the otherwise budgeted, appropriated and available funds to pay Operating Expenses for the applicable Fiscal Year and for which there does not then exist any other budgeted and appropriated funds, but only if, notwithstanding its reasonable efforts, the District shall have been unable to obtain funds from other sources to pay such expenses, including but not limited to additional appropriations and additional sources within the Office of the Deputy Mayor for Economic Development, provided that if due to the nature of the expense it is not practicable to delay payment in order to first seek such additional funds then monies in the Operating Reserve Fund may be used for such purpose, provided further that the Mayor shall still seek to obtain such additional funds and if, after the use of funds from the Operating Reserve Fund the District receives an additional appropriation or identifies other funds legally available therefor, the District shall restore to the Operating Reserve Fund the amount expended therefrom in connection with such expense.
- (e) After funding the Operating Reserve Fund and Operating Expenses in Fiscal Year 2008, and thereafter after funding Operating Expenses and any replenishment of the Operating Reserve Fund in any Fiscal Year, the

District shall utilize the next available Gross Revenues received in a Fiscal Year up to the then applicable Capital Reserve Deposit Amount to create and maintain a capital reserve fund or account under the EDSAF (the "Capital Reserve Fund"), provided that for any Fiscal Year in which the District shall have treated an Excess Capital Expense Amount as an Operating Expense the amount deposited to the Capital Reserve Fund shall be reduced by such Excess Capital Expense Amount. The amounts deposited into the Capital Reserve Fund may be adjusted below the applicable Capital Reserve Deposit Amount if the long-term capital budget prepared by the Asset Manager indicates that a lesser annual deposit is appropriate. In no event shall the amount deposited into the Capital Reserve Fund in any Fiscal Year during which the Bonds are Outstanding exceed the then applicable Capital Reserve Deposit Amount without the prior consent of Citicorp. The Mayor shall, from time to time, use reasonable efforts to obtain such consents, approvals, appropriations or other authorizations as may be necessary so that the Capital Reserve Fund may be funded and so that amounts in the Capital Reserve Fund shall at all times be legally available for use in connection with the Parking Garage Project. The District shall use reasonable efforts to obtain such consents, approvals, appropriations or other authorizations on a non-lapsing basis or, if not legally available on a non-lapsing basis, then for the longest term permitted by law. The Capital Reserve Fund shall be used solely for Capital Expenses of the Parking Garage Project.

- (f) The Mayor shall promptly notify the Condominium Unit Owners Association and, if the Bonds are still Outstanding, Citicorp, if any appropriation or other consents, approvals, or other authorizations sought pursuant to this Agreement are denied, delayed, obtained only in part or otherwise treated in a manner other than timely approval if, as a result, the District reasonably anticipates that it will not have sufficient funds with which to pay any Operating Expense or Capital Expense or will need to draw upon the Operating Reserve Fund in order to pay any Operating Expense.

6. Parking Manager.

- (a) The Mayor shall at all times seek and utilize the authority available to the Mayor to retain the services of a qualified Parking Manager pursuant to a Parking Management Agreement, except as may otherwise be permitted under the Condominium Documents. The District shall enforce the Parking Management Agreement in a reasonable manner and shall make sure that the Parking Manager is furnished with a copy of the Condominium Documents, including the "Parking Objectives" as such term is defined in the Condominium Documents.
- (b) The District shall not discontinue the use of a Parking Manager, or change any of the provisions of the Parking Management Agreement required by

this Agreement or the Condominium Documents without the prior written consent of Citicorp, which shall not be unreasonably withheld, delayed or conditioned, provided that the proposed changes to the Parking Management Agreement will not adversely affect the Tax-Exemption for the Bonds.

- (c) The Mayor shall instruct the Parking Manager to furnish to Citicorp a copy of any notice from the Parking Manager terminating the Parking Management Agreement, asserting any default on the part of the District under the Parking Management Agreement or notifying it of any matter that is likely to materially adversely affect the operation of the Parking Garage Project or its Net Revenues, or is likely to require a material Capital Expense. The Mayor shall contemporaneously copy Citicorp on any notice to the Parking Manager terminating the Parking Management Agreement, asserting any default under the Parking Management Agreement or notifying it of any matter that is likely to materially adversely affect the operation of the Parking Garage Project or its Net Revenues, or is likely to require a material Capital Expense.

7. Asset Manager.

- (a) The District shall at all times retain the services of a qualified Asset Manager except as may otherwise be permitted under the Condominium Documents. The District shall enforce the Asset Management Agreement in a reasonable manner and shall make sure that the Asset Manager is furnished with a copy of the Condominium Documents, including the "Parking Objectives" as such term is defined in the Condominium Documents.
- (b) Citicorp hereby approves Spectrum Management LLC as the Asset Manager. The District shall not change the Asset Manager, or discontinue the use of an Asset Manager, for the Parking Garage Project without the prior written consent of Citicorp, which shall not be unreasonably withheld, delayed or conditioned, provided that:
 - (i) the compensation and other terms of the proposed agreement with the proposed Asset Manager are consistent with prevailing arm's-length market terms for the asset management of comparable retail parking facilities;
 - (ii) the proposed Asset Manager meets the qualifications required of an Asset Manager under the Condominium Documents and the proposed change or discontinuance is permitted under the terms thereof; and

- (iii) the form and substance of the proposed Asset Management Agreement are such that the entry into such agreement by the District will not adversely affect the Tax-Exemption for the Bonds.
 - (c) The District shall promptly furnish to Citicorp a copy of any notice from the Asset Manager terminating the Asset Management Agreement, asserting any default on the part of the District under the Asset Management Agreement or notifying it of any matter that is likely to materially adversely affect the operation of the Parking Garage Project or its Net Revenues, or is likely to require a material Capital Expense. The District shall contemporaneously copy Citicorp on any notice to the Asset Manager terminating the Asset Management Agreement, asserting any default under the Asset Management Agreement or notifying it of any matter that is likely to materially adversely affect the operation of the Parking Garage Project or its Net Revenues, or is likely to require a material Capital Expense.
8. Notices. All notices or other instruments required or permitted under this Agreement shall be in writing and shall be delivered by hand, reputable overnight courier such as Federal Express DHL or UPS, or mailed by certified mail, postage prepaid and addressed as follows:

If to the District:

1350 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
Attention: Deputy Mayor for Planning and
Economic Development

and

Attention: Chief Financial Officer

If to Citicorp:

Citicorp North America, Inc.
One Court Square
45th Floor
Long Island City, New York 11120
Attention: Loan Administrator

with copies to:

Citi Community Capital
1101 Pennsylvania Ave NW, Suite 1124
Washington, DC 20004
Attention: Brett MacLeod

and

Hawkins Delafield & Wood LLP
One Chase Manhattan Plaza
New York, New York 10005
Attention: Lloyd S. Lowy, Esq.

and

Wells Fargo Bank, N.A., as trustee
MAC N2702-011
9062 Old Annapolis Road
Columbia, MD 21045
Attention: CMG Public Finance

If to the Developer:

DC USA Operating Co. LLC
c/o Grid Properties, Inc.
2309 Frederick Douglas Blvd.
New York, NY 10022
Attention: Drew Greenwald

and

DC USA Operating Co. LLC
c/o Gotham Organization, Inc.
1010 Avenue of the Americas
4th Floor
New York, NY 10018
Attn: Joel Picket

9. Miscellaneous

- (a) This Agreement may not be amended except by written instrument signed by all parties. No delay or failure to enforce any provision hereof, or course of conduct shall constitute a waiver by any party of the terms hereof.
- (b) This Agreement shall be governed by the law of the District of Columbia (without reference to District of Columbia conflict of law principles).
- (c) This Agreement shall bind and inure to the benefit of each of the parties and their respective successors and assigns.
- (d) This Agreement may be executed in two or more counterparts each of which shall constitute an original and all of which shall together constitute one and the same instrument.
- (e) To the extent required by law, the obligations of the District to fulfill payment obligations pursuant to this Agreement, or any subsequent agreement entered into pursuant to this Agreement, are and shall remain subject to the provisions of (i) the Anti-Deficiency Laws, and (ii) Section 446 of the District of Columbia Home Rule Act, D.C. Official Code § 1-204.46 (2006 Repl.). To the extent provided by the Anti-Deficiency Laws or Section 446 of the District of Columbia Home Rule Act, D.C. Official Code § 1-204.46 (2006 Repl.), nothing in this Agreement shall create a payment obligation of the District in anticipation of an appropriation by Congress for such purpose, and the District's legal liability for the allocation or payment of any amounts under this Agreement for which an appropriation is legally required shall not arise or obtain in advance of the lawful availability of appropriated funds for the applicable Fiscal Year as approved by Congress.
- (f) Notwithstanding the affirmative obligations of the Mayor pursuant to this Agreement, in the event that a request for budget authority or appropriations is excluded by the Council from the budget approved by the Council and submitted to Congress by the President for the applicable Fiscal Year or, if no appropriation is made by Congress to pay any amount under this Agreement for any period after the Fiscal Year for which appropriations have been made, and in the event appropriated funds for such purposes are legally required but not otherwise lawfully available, the District will not be liable to make any payment under this Agreement upon the expiration of any then-existing appropriation except as otherwise permitted by law and such action shall not constitute a default under this Agreement.
- (g) Notwithstanding the foregoing, no officer, employee, director, member or other natural person or agent of the District shall have any personal

liability in connection with the breach of the provisions of this Agreement. This Agreement shall not constitute an indebtedness of the District nor shall it constitute an obligation for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. No District of Columbia Official or employee is authorized to obligate or expend any amount under this Agreement unless such amount has been appropriated by Act of Congress and is lawfully available except as otherwise permitted by law.

- (h) Nothing in this Agreement is intended or shall be construed as a limitation on the District's obligations in respect of the Bonds, including but not limited to its payment obligations in respect thereof.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned parties have caused their duly authorized representatives to execute and deliver this Agreement on their behalf as of the date first written above.

CITICORP NORTH AMERICA, INC.

By: Brett MacLeod
Name: Brett MacLeod
Title: Vice President

DISTRICT OF COLUMBIA

By: _____
Name: _____
Title: _____


[ADDITIONAL SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned parties have caused their duly authorized representatives to execute and deliver this Agreement on their behalf as of the date first written above.

CITICORP NORTH AMERICA, INC.

By: _____
Name:
Title:

DISTRICT OF COLUMBIA

By: 
Name: Neil O. Albert
Title: Deputy Mayor

[ADDITIONAL SIGNATURE APPEARS ON THE FOLLOWING PAGE]

DC USA OPERATING CO., LLC,
a New York limited liability company

By: DC USA Management Co. LLC,
a Delaware limited liability company,
Manager and Sole Member

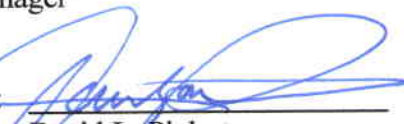
By: USPDC, LLC,
a New York limited liability company,
Managing Member

By: GRID Urban Ventures III, LLC,
a New York limited liability company,
Managing Member

By: 
Drew Greenwald
Managing Member

By: DC USA GO, LLC,
a New York limited liability company,
Managing Member

By: Picket Realty Construction Consultants LLC,
a New York limited liability company,
Manager

By: 
David L. Picket
Member

**DC USA CENTER PUBLIC
DEBT REQUIREMENTS
PAGES 167-171**

Attachment J1B

DC USA Center Public Debt Requirements

Section 1.1 The Parking Facility is to be operated by Contractor as a "self-parking" commercial parking garage serving the DC USA retail center and open to the public with (1) at least 1,000 legal striped spaces to be maintained and continuously available in accordance with the Zoning Regulations of the District of Columbia (the "Zoning Regulations") as well as (2) the ability to accommodate attendant assisted parking for two hundred forty-four (244) additional vehicles in compliance with the provisions of the order of the District of Columbia Board of Zoning Adjustment in BZA Case No. 17232 (the "BZA Order"), except in either case in the event of an emergency or undertaking intermittent repair and replacement activities. The Parking Facility shall be used for no other purpose without prior written approval of DGS.

Section 1.2 The Contractor agrees to set aside space, but only if requested by DGS and after that certain public debt secured by the Parking Facility as of the date hereof (as it may be amended, the "Public Debt") is retired, to protect commitments made to the tenants of, or in connection with the operation of, the retail mall portion of DC USA. Contractor agrees to honor any allocations of space that DGS deems necessary, and to operate the Parking Facility in a manner consistent with satisfying, as efficiently as possible, the parking demands generated by the retail mall portion of DC USA.

Section 1.3 The Contractor hereby acknowledges that the Parking Facility occupies in the entirety Unit No. 3 in the commercial condominium known (the "DC USA Condominium") and that it accordingly is or will be subject to and encumbered by: (1) those certain condominium documents consisting of the Declaration for DC USA Condominium and associated bylaws, plats and plans, (collectively, the "Condominium Documents"), which are or shall be recorded in the applicable records for the District of Columbia (as applicable, "Land Records"); and (2) that certain Declaration of Parking Operations made by DC USA Operating Co., LLC, as declarant, a memorandum of which is or will be recorded among the Land Records ("Parking Covenants"). Contractor further acknowledges that the Condominium Documents and Parking Covenants contain covenants, conditions and restrictions with regard to the operation of the Parking Facility, and that, in the event of a discrepancy between this Agreement and the Condominium Documents or Parking Covenants, the Condominium Documents and Parking Covenants shall control. Contractor hereby acknowledges that it has been provided with true and complete copies of the current Condominium Documents and Parking Covenants subject to Section 4.1 (Indemnification) of this Agreement. Contractor agrees to comply with and perform all applicable obligations, conditions, and covenants of the Parking Covenants and to perform all of its duties and obligations related to the use and operation of the Parking Facility so as not to violate or come into non-compliance with the covenants, conditions, and restrictions of the Condominium Documents and the Parking Covenants pertinent to the Parking Facility. Further, Contractor agrees that it shall cooperate with the Unit Owners Association (as defined in the Parking Covenants) regarding implementation and operation of the security protocols for Unit No. 3 (as defined in the Parking Covenants) by the Unit Owners Association.

Section 1.4 The rate of vehicular traffic flow into and out of the Parking Facility will be coordinated by the Contractor in order to maximize retail sales in the Retail Unit and the Target Unit (as defined in the Condominium Documents).

Section 1.5 The Parking Facility will be operated in a manner that is at least equivalent to the manner of operation of an enclosed, off street, privately owned parking facility serving high quality retail complexes located in the Washington, D.C. metropolitan area of similar size, physical arrangement and tenancy of the DC USA Condominium, taking into account the added requirements of the DC USA Condominium's location in an urban neighborhood in Washington, D.C. ("Comparable Parking Facilities").

Section 1.6 The Contractor agrees to operate the Parking Facility in an efficient manner and on days and hours set by DGS and the trade, commensurate with parking demand in the area, and in accordance with the Parking Covenants and agrees that changes to the Parking Covenants, if any, must be approved by DGS. Such operation shall be continuous unless DGS shall otherwise agree in writing. Initial charges for parking in the Parking Facility are identified in the Parking Covenants and shall not be varied without written approval of DGS, which approval may be granted or withheld by DGS in its sole discretion.

Section 1.7 The Parties acknowledge that the sidewalks and curb cuts adjacent to the Parking Facility shall be maintained by the association of the unit owners of the DC USA Condominium (the "Association") in accordance with the Condominium Documents. The Parties further acknowledge that either the Association or DGS, as identified in the Condominium Documents, shall also be responsible for all Parking Facility repairs of a structural nature, including, but not limited to: electrical, plumbing, pavement repair, painting of the structure, replacement of all mercury or sodium lighting tubes and ballasts, repairs to the walls and floors of the Parking Facility, sinkholes, and maintenance of ventilation system and elevators, which amounts may be withdrawn from the Account created pursuant to Section 10.1 below. The Contractor agrees to use reasonable diligence in the care and protection of the Parking Facility during the term of this Agreement and to surrender the Parking Facility at the termination of this Agreement in as good condition as received, ordinary wear and tear excepted. The Contractor hereby agrees that DGS may request that the Contractor, which request the Contractor may consent to or reject, perform or cause to be performed certain of these repairs and/or restorations on behalf and at the expense of DGS. The Contractor agrees to at all times reasonably cooperate with DGS in any repairs, maintenance or restoration of the Parking Facility, and with the other unit owners' use or access of the Parking Facility to the extent needed to repair, maintain, or restore any other portion of the DC USA Condominium, as such may be permitted by the Condominium Documents.

Section 1.8 Any structural, mechanical, electrical or other installations or any alterations required by statutes or regulations pertaining to air quality, environmental protection, provisions for persons with disabilities or other similar governmental requirements shall be the sole responsibility of DGS or the Association, as identified in the Condominium Documents and/or Parking Covenants. Parking rates in the Parking Facility will be structured to encourage the

primary use thereof by hourly parkers shopping at the Retail Unit and Target Unit and only non-hourly parkers to the extent there is sufficient excess capacity in the garage after the retail parking needs of the Retail Unit and Target Unit have been met.

Section 1.9 The Contractor agrees to keep the Parking Facility at all times in a clean, presentable, and sanitary condition and not to permit anything thereon which would create a hazard and/or liability risk. The Contractor further agrees to operate the Parking Facility in accordance with the Parking Covenants pursuant to Section 1.3 above, and to comply with all governmental laws, ordinances and regulations pertaining to the Contractor's conduct of business thereon. Pursuant to the Parking Covenants, Contractor agrees to review in advance proposals and obtain DGS approval for, and once DGS approval has been obtained coordinate and implement, the following policies and procedures, and thereafter to periodically review the implementation of such procedures with DGS:

- (a) Emergency Procedures and Policies to be followed upon the occurrence of any of the following within the Parking Facility: (i) vehicular damage, (ii) bomb threats, (iii) spilling of automotive fuel and other hazardous materials, (iv) carbon monoxide build-up, (v) injury to persons or property, (vi) fire, (vii) theft, robbery or other criminal acts, (viii) acts of terrorism, and (ix) weather emergencies, including without limitation procedures and policies addressing a process and manner of notification of and coordination with Unit Owners (as defined in the Parking Covenants) and the managing agent of the Unit Owners Association (as defined in the Parking Covenants) of any of these occurrences, a process and manner of the closing of all or a portion of the Parking Facility as a result of any such occurrences, and a process whereby Unit No. 1 Owner (as defined in the Parking Covenants), Unit No. 2 Owner (as defined in the Parking Covenants) or the managing agent of the Unit Owners Association would be able to request the Parking Operations Committee (as defined in the Parking Covenants) to consider and modify a determination by the Contractor or DGS to close all or a portion of the Parking Facility where a proposed closure would exceed twelve (12) hours)
- (b) Periodic and random drug testing procedures;
- (c) Procedures for termination of discourteous and unprofessional personnel;
- (d) Operational procedures regarding parking valet system;
- (e) Monthly risk-assessment inspections;
- (f) Towing procedures;
- (g) Customer and public relations procedures to address complaints;
- (h) Schedules and procedures for cleaning and janitorial maintenance;
- (i) Staffing levels and standards for selection of managers and supervisory personnel to staff the Parking Facility;

(j) Standards for the selection of managers and supervisory personnel to staff the Parking Facility, including but not limited to the COTR (as defined in Section 9.2) and the standards for management supervision;

(k) Uniforms to be worn by parking attendants and any other personnel of Contractor working in the Parking Facility;

(l) Requirements that Contractor maintain certain preventative maintenance agreements on all applicable equipment and systems in the Parking Facility, including without limitation, those preventative maintenance contracts for exhaust and mechanical systems, overhead doors, revenue control equipment, fire alarms and sump pumps;

(m) Procedures for conducting regular repair and maintenance of equipment and systems within the Parking Facility and standards for the performance of capital repairs to the Parking Facility; and

(n) Other operational procedures and parameters for the Parking Facility as specified from time to time by DGS that consistent with the Parking Objectives (as defined in the Parking Covenants).

Section 2 Financial Overview. It is expected the Parking Facility will generate sufficient net revenue from its parking operations to be financially Self-Sustaining (as defined below) and pay the debt service under the Public Debt (which is not satisfied by revenues generated by and through the TIF Note, as defined in the Parking Covenants) without exceeding rates charged at Comparable Parking Facilities. "Financially Self-Sustaining" shall mean the ability of the Parking Unit to pay all costs of operations, to maintain adequate reserves found for the operation of Comparable Parking Facilities, and to pay the debt service under the Bond Documents (as defined in the Parking Covenants).