OF

SUGARLAND RUN TOWNHOUSE OWNERS ASSOCIATION, INC.

## ARTICLE I

## Name of Corporation

The name of the Corporation is SUGARLAND RUN TOWNHOUSE OWNERS ASSOCIATION, INC. (hereinafter referred to as the "Corporation").

## ARTICLE II

#### Offices

The principal office of the Corporation in Virginia shall be located in Loudoun County. The Corporation may have such other offices, either within or without Virginia, as the directors may from time to time determine.

The Corporation shall have and continuously maintain in Virginia a registered office and a registered agent whose office is identical with such registered office, as required by the Virginia Non-Stock Corporation Act. The address of the registered office and the registered agent may be changed from time to time by the directors. The registered office may be, but need not be, identical with the principal office of the corporation in Virginia.

#### ARTICLE III

#### Members

#### Section 1. Membership in the Corporation.

The members of the Corporation shall be every Owner of a Lot (as such terms are defined in the Declaration hereinafter described) of the property (hereinafter referred to as the "Property") subject to the provisions of a Declaration made by Boise Cascade Building Company (hereinafter referred to as the "Developer") dated October 27, 1971 and recorded on November 11, 1971 as Instrument No. 4165; provided, however, that any person or entity who holds title merely as security for the performance of an obligation shall not be a member of the Corporation.

# THIS IS A TRUE COPY

The Board of Directors of the Corporation may suspend any person from membership in the Corporation during any period of time when such person is in default of any of his obligations under the Declaration (including, without limitation, the failure to pay any assessment), provided that such default has continued uncured for a period of ten(10) days after written notice thereof to such member.

Section 2. <u>Membership Classes</u>. There shall be the following two classes of voting membership in the Corporation:

The Class A members shall be all Lot Owners (with the exception of the Developer) and shall be entitled to one (1) vote for each such Lot owned. When more than one person holds an interest in any Lot, all persons shall be members. The votes for such Lot shall be exercised by such persons as they themselves determine, but in no event shall more than one (1) vote be allowed with respect to any Lot.

The Class B member shall be the Developer, its successors and assigns, and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A on the happening of either of the following events, whichever occurs earlier: (i) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or (ii) at the expiration of three (3) years after the date of the Declaration, provided that if a Supplemental Declaration is filed annexing additional land pursuant to Article III of the Declaration at any time or times prior to the expiration of said three (3) year period (as the same may have been extended by the filing of any Supplemental Declaration), such period shall be extended each such time until the expiration of three (3) years from the date of filing of the last such Supplemental Declaration.

# Section 3. Voting Rights in the Corporation.

The members of the Corporation shall have the right to vote for the election and removal of directors and upon such other matters with respect to which a vote of members is required under the Declaration or under the provisions of Chapter 2 of Title 13.1 of the Code of Virginia.

#### ARTICLE IV

# Meetings of Members

# Section 1. Annual Meeting.

The first annual meeting of the members shall be held on such date

designated by the Board of Directors not later than one year after the date of incorporation and each subsequent regular annual meeting shall be held on the annual anniversary of the first meeting. Such annual meetings shall be held for the purpose of electing directors and/or for the transaction of such other business as may come before the meeting. If the date fixed for the annual meeting shall be a legal holiday in the place where the meeting is to be held, such meeting shall be held on the next succeeding business day.

# Section 2. Special Meetings.

Special meetings of the members may be called by the President, the Board of Directors or members of the Corporation holding not less than one-fifth of the votes.

Section 3. Place of Meeting. The Board of Directors may designate any location within Loudoun or Fairfax Counties, Virginia, as the place for any annual meeting or special meeting called by the Board of Directors and the President may designate any location as the place for any special meeting called by him. If no designation is made or if a special meeting is called by the members of the Corporation, the place of meeting shall be the principal office of the Corporation.

# Section 4. Notice of Meetings.

Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed or delivered not less than ten (10) or more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President or the Secretary or the person calling the meeting, to each member of the Corporation at his address as shown on the records of the Corporation. In lieu of delivering notice as above, the Corporation may publish notice of any annual or special meeting of members in the manner provided by law. A member may, in a writing signed by him, waive notice of any meeting before or after the date of the meeting stated therein.

# Section 5. Informal Action by Members.

Any action required or permitted by law to be taken at a meeting of the members of the Corporation may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members of the Corporation.

# Section 6. Quorum and Manner of Acting.

Members or proxies constituting one-tenth (1/10) of the total votes of each class of membership shall constitute a quorum at any meeting unless provided otherwise in the Declaration. The act of a majority of each class of membership present at a meeting at which a quorum is present shall be the act of the members, unless the act of a greater number is required by law, the Articles of Incorporation, these Bylaws or by the Declaration.

## Section 7. Conduct of Meetings.

The directors may make such regulations as they deem advisable for any meeting of the members, including proof of membership in the Corporation, evidence of the right to vote and the appointment and duties of inspectors of votes. Such regulations shall be binding upon the Corporation and its members.

#### ARTICLE V

#### Directors

## Section 1. General Powers.

The affairs of the Corporation shall be managed by its directors.

# Section 2. Number and Tenure.

The number of directors shall be three (3), five(5), seven (7) or nine (9), as may be fixed from time to time by the Board of Directors by amendment of this Section 2. The initial number of directors shall be three (3). At the first annual meeting of the members, the members shall elect three (3) directors for a term of one year, two years and three years, respectively. At each annual meeting thereafter the members shall elect one-third of the number of directors for a term of three years. If the number of directors is increased, the Board of Directors shall designate whether the term of such additional director shall be for one, two or three years, provided that the Board of Directors shall conform, as close as practical, to the principal of staggered terms on as near equal division of terms as is possible, with the tenure of office to be ultimately three (3) years. Any vacancy occurring in the initial or any subsequent Board of Directors may be filled at any meeting of the Board of Directors by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors, or by a sole remaining director and, if not previously so filled, shall be filled at the next succeeding meeting of the members of the Corporation. Any director elected to fill a vacancy shall

serve as such until the expiration of the term of the director whose position he was elected to fill.

# Section 3. Regular Meetings.

Regular meetings of the Board of Directors shall be held monthly without notice at such time and place as may be fixed from time to time by resolution of the Board of Directors. If the date fixed for the regular monthly meeting shall be a legal holiday in the place where the meeting is to be held, such meeting shall be held on the next succeeding business day. The Board of Directors may cancel any regular monthly meeting if the business of the Board of Directors does not warrant such meeting. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board.

## Section 4. Special Meetings.

Special meetings of the Board of Directors may be called by or at the request of the President or any two directors by giving notice thereof as provided in Section 5 of this Article V. Such persons calling a special meeting of the Board of Directors may fix any location as the place for holding such special meeting.

## Section 5. Notice.

When notice of any meeting of the Board of Directors is required, such notice shall be given at least two days previous to such meeting by written notice delivered personally or sent by mail or telegram to each director at his address as shown on the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited prepaid in the United States mail in a sealed envelope properly addressed. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting before or after the time of the meeting stated therein. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law, the Articles of Incorporation, these By-Laws or the Declaration.

# Section 6. Quorum.

Except as otherwise provided by law, the Articles of Incorporation, these By-Laws or the Declaration, a majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board;

but if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting withour further notice.

## Section 7. Manner of Acting.

The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

## Section 8. Compensation.

Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors any director may be reimbursed for his actual expenses incurred in the performance of his duties as a director. No director shall receive compensation for any service he may render to the Corporation.

## Section 9. Informal Action by Directors.

Any action required or permitted by law to be taken at a meeting of directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the directors.

# Section 10. Removal of Directors.

Any director may be removed from the Board of Directors, with or without cause, by a majority vote of the members of the Corporation. The vacancy thus created by such a removal shall be filled as provided in Section 2 of this Article V.

#### ARTICLE VI

# Power and Duties of the Board of Directors

## Section 1. Powers.

The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

- (b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Corporation. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days, for infraction of published rules and regulations;
- (c) exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

# Section 2. Duties

It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote:
- (b) supervise all officers, agents and employees of the Corporation, and to see that their duties are properly performed;
  - (c) as more fully provided in the Declaration, to:
  - (1) fix the amount of the monthly assessment against each Lot at least thirty (30) days in advance of each monthly assessment period;
  - (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each monthly assessment period; and
  - (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Corporation;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
  - (g) cause the Common Area to be maintained;
- (h) cause the exterior of dwellings on Lots to be maintained if the Board of Directors determines that such member has failed to maintain his dwelling in accordance with the provisions of the Declaration.

#### ARTICLE VII

## Officers

## Section 1. Officers.

The officers of the Corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, and a Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Vice President shall be directors of the Corporation. Other officers may be, but need not be, directors of the Corporation.

# Section 2. Election, Term of Office and Vacancies.

The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members as herein set forth in Article IV. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

# Section 3. Removal.

Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby.

## Section 4. Powers and Duties.

The officers of the Corporation shall, except as otherwise provided by law, the Articles of Incorporation, these By-Laws or the Board of Directors, each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Corporation.

## Section 5. Resignation.

Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

#### ARTICLE VIII

#### Committees

## Section 1. Committees of Directors.

The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in the resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Corporation; provided, however, that no such committee shall have the authority of the Board of Directors to approve an amendment to the Articles of Incorporation of the Corporation or a plan of merger or consolidation.

## Section 2. Other Committees.

Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Corporation may be designated by a resolution adopted by the Board of Directors. Such committees shall perform such duties and have such powers as may be provided in the resolution.

## Section 3. Rules.

Each committee may adopt rules for its own government not inconsistent with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

#### ARTICLE IX

# Certificates of Membership

The Board of Directors may provide for the issuance of certificates evidencing membership in the Corporation, which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary and shall be sealed with the seal of the Corporation. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Corporation. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board of Directors may determine.

#### ARTICLE X

## Books and Records

The books, records, and papers of the Corporation shall at all times be subject to the inspection by any member during reasonable business hours. The Declaration, the Articles of Incorporation, and the By-Laws of the Corporation shall be available for inspection and purchase by any member at the principal office of the Corporation.

#### ARTICLE XI

## Proxies

Section 1. Each member may vote in person or by proxy at all meetings of the Corporation, upon such matters with respect to which a vote of the members is required under the Declarations or under the provisions of Chapter 2, Title 13.1 of the Code of Virginia.

Section 2. All proxies shall be in writing and in an appropriate form approved by the Secretary of the Corporation.

Section 3. All proxies must be received by the Secretary of the Corporation or the Secretary's designated agent prior to the commencement of the meeting at which the voting shall be held. No member who has voted by proxy shall be permitted to vote in person as to the matter for which the proxy was issued, but may vote in person on any other business to come before such meeting. Amendment to or revocation of a proxy must be made prior to commencement of the meeting for which the proxy was given, by delivery to the Secretary or the Secretary's designated agent of such amendment or revocation. Such amendment or revocation must be in writing and in a form satisfactory to the Secretary.

Section 4. No proxy shall extend beyond the date of the meeting for which it is given unless such meeting is adjourned to a subsequent date. Any proxy shall automatically cease upon sale by the member of his Lot.

## ARTICLE XII

## Construction

In the event of any conflict between the Declaration and the Articles of Incorporation or the By-Laws, the Declaration shall control; and in the case of any conflict between the Articles of Incorporation and the By-Laws that the Declaration does not resolve, the Articles of Incorporation shall control.

#### ARTICLE XIII

#### Assessments

As more fully provided in the Declaration, each member is obligated to pay to the Corporation annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within sixty (60) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Corporation may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interests, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

#### ARTICLE XIV

## Corporate Seal

The Association shall have a seal in circular form having within its circumference the words: Sugarland Run Townhouse Owners Association, Inc., Commonwealth of Virginia; 1971.

#### ARTICLE XV

#### Amendments

Section 1. These By-Laws may be altered, amended, or repealed and new By-Laws may be adopted, by the Board of Directors, at any time while the Corporation has a Class B member, or at a regular or special meeting of the members by a vote of two-thirds (2/3) of the members voting at any such meeting at which a quorum of the membership is present, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is a Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

#### ARTICLE XVI

## Parking and Vehicles Regulations

Section 1. Only passenger vehicles and motorcycles shall be parked in the parking spaces adjacent to the unit owned.

Any vehicle parked or stored upon the property and determined by the Board of Directors to be abandoned, improperly licensed or inoperable (To be legally operable the vehicle must be validly registered, must have a valid county sticker, and must have a valid state inspection sticker.), will be tagged, the purpose being to give the owner notice of the Association's intent to remove the vehicle from the property. The owner will have ten (10) days to respond to the notice, at which time if no adequate response has been received by the Association, the matter will be scheduled for a hearing at the next meeting of the Board of Directors. The Board will determine at such meeting whether or not such vehicle is in fact improperly licensed, abandoned or inoperable, and, if such is determined and no mitigating circumstances are known or presented to the Board, the vehicle will be towed from the property and disposed of in a lawful manner. The owner of such vehicle or any other person having knowledge of the circumstances surrounding such vehicle may address the Board at said meeting, either orally or in writing.

Section 2. No portion of the property shall be used for the major repair, overhaul, painting or work of a similar nature to any motor vehicle. Minor repairs and maintenance of a resident's vehicles such as oil changes, tire changes and minor tuneups, are permitted.

Section 3. Trailers, boats, recreational vehicles, and commercial vehicles shall be parked only in the outerlying spaces of the parking areas, but no vehicle exceeding 18,000 MGW (maximum gross weight) (i.e., trucks and/or trailers having multiple axles, flatbed trucks, and school buses), excluding vehicles making pickups or deliveries, shall be permitted in any of the parking areas. Any vehicle in violation of this section may be removed from the parking area at the owner's risk and expense.

#### ARTICLE XVII

## Rental of Units

Section 1. Upon rental of his/her unit an owner must notify, in writing, the Board of Directors, through the managing agent, if any, within fifteen (15) days:

- (a) Names and telephone numbers of all occupants in the unit;
- (b) Name and telephone number of property manager, if any; and,
- (c) Telephone number where the owner may be reached in an emergency.

Owners must forward a copy of the lease with the above notice. The lease must incorporate by reference the regulations and By-Laws of the Association, and it is understood the lessee, upon signing the lease, agrees to abide by said regulations and By-Laws. No unit may be leased for transient or hotel purposes, and no Unit Owner may lease less than the entire Unit. All leases must include the following:

"Upon acceptance of this lease, lessee is subject to, and agrees and covenants to abide by all regulations, resolutions, By-Laws and provisions of the documents of the Sugarland Run Townhouse Owners Association. Violations of said regulations, resolutions, By-Laws and provisions shall be a violation of this lease, and solely for the purposes of enforcing this paragraph SRTHOA shall be a party of this lease, and shall have the power to enforce this paragraph by eviction, or any other action at law or equity after fifteen (15) days' notice via certified letter, return receipt requested, to the leasor and lessee of the existence of a violation of this paragraph. If the SRTHOA brings any action to enforce this paragraph, irrespective of whether a suit actually commences in any court, the lessee and leasor shall be liable to the Sugarland Run Townhouse Owners Association for all reasonable legal costs and attorney's fees incurred."

The acceptance by SRTHOA of a copy of the lease or the inclusion of the above paragraph in any lease, shall in no way relieve any Unit Owner of his responsibilities under these By-Laws, regulations, resolutions, or provisions of the Master Deed of the SRTHOA. Owners must provide copies of said documents to lessees. All rentals must conform to the Loudoun County Code governing occupancy of a domicile.

#### ARTICLE XVIII

# Proper Social Conduct

Section 1. Noise Limits. Noise levels must not exceed room level of each unit between the hours of 10:00 p.m. and 6:00 a.m.

Section 2. Undue Disturbances. Residents and/or their guests will not be permitted to unreasonably disturb or interfere with the quiet enjoyment by other residents of the property. Further, no immoral, improper, offensive or unlawful use shall be made of the property or any part thereof.

# Section 3. Domesticated Animals.

- (a) The keeping of a reasonable number of small, orderly domestic pets is permitted, subject to the Rules and Regulations adopted by the Board of Directors, provided, that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the property upon three (3) days' written notice from the Board of Directors.
- (b) Such pets shall not be permitted upon the Common Area unless carried or leashed. Each owner shall promptly remove from the Common Areas any waste deposited there by his or her animal.
- (c) The owner is responsible for keeping his Lot within the Loudoun County ordinances.
- Section 4. Occupancy. The number of unrelated occupants in each unit shall not exceed four (4) adults. There shall be no more than two (2) unrelated children under 13 years of age per bedroom.

#### SUGARLAND RUN TOWNHOUSE OWNERS ASSOCIATION. INC.

# SPECIAL RESOLUTION NO.

Amendment of the Bylaws and Articles of Incorporation

WHEREAS, Article XV, Section 1 of the Bylaws of Sugarland Run Townhouse Owners Association, Inc. permits the Association to amend said Bylaws upon the affirmative vote of two-thirds of the Owners/Members who appear in person or by proxy at a meeting called for that purpose; and

WHEREAS, Section 13.1-886(E) of the Code of Virginia (1950), as amended, permits amendment of the Articles of Incorporation only with assent of more than two-thirds (%) of the votes of the Members voting at a meeting at which a quorum is present; and

WHEREAS, the Board of Directors has determined that the ease of governance of the Association would be enhanced by amending the Bylaws and Articles of Incorporation to provide for management by a Board of Directors consisting of five (5) members.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board of Directors recommends that the Bylaws and Articles of Incorporation of the Association be amended as set forth above and that it shall present the issue of said amendments to the Bylaws and Articles of Incorporation to the Association membership at a meeting of the membership to be held on May 13, 1998; further, that proper notice of this issue shall be provided to all Association Owners/Members; and it is further

RESOLVED, that the Board of Directors shall submit the proposed amendments and shall provide a Proxy form to the Owners/Members so that they may designate their consent thereto.

> SUGARLAND RUN TOWNHOUSE OWNERS ASSOCIATION, INC.

David E. Meier, Acting Amesident

Board of Directors

I hereby certify on this | 3 day of that the foregoing resolution was duly adopted/by/the Board Directors.

#### SUGARLAND RUN TOWNHOUSE OWNERS ASSOCIATION, INC.

# special resolution no. 2

Ratifying Actions of All Previous Boards of Directors

WHEREAS, the Bylaws and Articles of Incorporation of Sugarland Run Townhouse Owners Association, Inc. have been amended upon the affirmative vote of two-thirds of the Owners/Members present in person or by proxy at the annual meeting held on May 13, 1998; and

WHEREAS, the Board of Directors has determined that it wishes to ratify and affirm all acts of any kind undertaken by any predecessor Board of Directors.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board of Directors ratifies and affirms all acts of any kind undertaken by any predecessor Board of Directors.

SUGARLAND RUN TOWNHOUSE OWNERS ASSOCIATION, INC.

Bv:

President

Board of Directors

I hereby certify on this  $\sqrt{3}$  day of  $\sqrt{6}$ , 199 $\sqrt{5}$  that the foregoing resolution was duly adopted by the Board of Directors.

, Secretary

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