

BYLAWS MILL CREEK P.U.D. HOME OWNERS ASSOCIATION, INC.

ARTICLE I DEFINITIONS

Section 1.01. "Association" shall mean and refer to Mill Creek P.U.D. Home Owners Association, Inc., a nonstock corporation organized and existing under Chapter 10 of Title 13.1, Code of Virginia, 1950, as supplemented and amended, its successors and assigns.

Section 1.02. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.03. "Properties" shall mean and refer to Lots 1-219, Phase One, Sections One through Four, Mill Creek P.U.D., as shown on Subdivision Plats thereof made by R. W. Ray, R. O. Snow & Assoc., Inc., of record in the Clerk's Office of the Circuit Court of Albemarle County, Virginia, and any other land subject to the "Restrictions" or "Covenants," as the same may be amended from time to time.

Section 1.04. "Common Area" shall mean all the real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners.

Section 1.05. "Lot" shall mean and refer to any plot of land upon any recorded subdivision map of the Properties with the exception of the "Common Area."

Section 1.06. "Developer" shall mean and refer to Craig Builders of Albemarle, Inc.

Section 1.07. "Unimproved Lot" shall mean and refer to all Lots prior to their sale by the Developer, except that any Lot owned by the Developer with a completed but unoccupied dwelling unit shall be deemed an Unimproved Lot.

Section 1.08. Restrictions or Covenants. "Restrictions" or "Covenants" shall, unless the context otherwise indicates, mean and refer to any or all of those restrictions and covenants contained in the Declaration of Covenants, Conditions, Restrictions and Easements Mill Creek of Record in the Clerk's Office of the Circuit Court of Albemarle County in Deed Book 924, at pages 452-473, and thereby imposed on the Properties.

ARTICLE II MEMBERSHIP AND VOTING RIGHTS

Section 2.01. Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2.02. Members shall be entitled to one vote for each Lot in which they hold the interest required for membership, by Article III of the Declaration. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

ARTICLE III
MEETINGS OF THE MEMBERS

Section 3.01. Annual Meetings. An annual meeting of members of the Association shall be held. Such meeting shall commence at 7:00 o'clock p.m. on the third Wednesday of April of each year, or, if such date shall fall on a legal holiday in Virginia, then at the same hour on the first business day thereafter. The Board of Directors shall be elected at such annual meeting, and such other business as may properly come before the meeting may be transacted.

Section 3.02. Special Meetings. The President of the Association, or a majority of the Board of Directors, or members holding 10% of the votes entitled to be cast at such a meeting may call a special meeting of the members of the Association, on due notice at any time.

Section 3.03. Notice Required. The officer, or other person calling a meeting of the members of the Association, shall give, or cause to be given, written notice of such a meeting. The notice shall contain the place, day, and hour of the meeting, and if a special meeting, the purpose or purposes for which it is called. A copy of such notice shall be mailed or electronically delivered to each member entitled to vote at the meeting, not less than 10, not more than 25 days before the scheduled date of the meeting. A notice mailed to a member at his address as it appears on the official records of the Association shall be conclusively presumed to comply with the requirements of this section. A member appearing at a meeting of the Association shall be conclusively presumed to have received due notice of such meeting unless he makes such appearance solely for the purpose of protesting his lack of notice thereof.

Section 3.04. Place of Meeting. Each meeting of the members of the Association shall be held within the State of Virginia. It may be held either at the principal office of the Association, or at any other place in the State, so long as the place is in either case specified in the notice of such meeting.

Section 3.05. Quorum. Except when a greater percentage is required by law, the presence at any meeting of members holding 20% of the voting rights, shall constitute a quorum, whether such presence be in person or by proxy. If no quorum be had, a majority in voting power of those members present may adjourn the meeting from time to time and place to place until a quorum may be had.

Section 3.06. Conduct of the Meeting. The President of the Association shall act as chair at each meeting of the members. In the absence of the President, the Vice President, or should he be also absent, then a member chosen by majority vote of the members present and entitled to vote, shall act as chair of the meeting. The Secretary of the Association, or an Assistant Secretary, or in their absence, any member designated by the Chairman, shall act as secretary of the meeting. The Chair shall determine the order of business at each meeting of the members of the Association, but such order may be changed by a majority in voting power of the members present, either in person or by proxy, and entitled to vote at such meeting.

Section 3.07. Action Without a Meeting. If a consent in writing or by electronic means, setting forth the action taken or to be taken, shall be signed by all of the members entitled to vote, such consent shall have the same force and effect as a unanimous vote of the members of the Association, but no meeting need be held. Such consent may be secured either prior or subsequent to the action sought to be validated thereby.

ARTICLE IV

OFFICERS

Section 4.01. Officers. The Association shall have a President, one or more Vice Presidents, a Treasurer, a Secretary and other such officers as the Board of Directors may from time to time designate and establish pursuant to Section 4.03 of this Article. The same person may hold any two or more offices, excepting only those of President and Secretary, which shall never be held simultaneously by the same person.

Section 4.02. Qualifications, Elections, Duties and Term. The President shall, but no other officer need be, also a Director of the Association. The Board of Directors shall elect a slate of officers annually, such election to be held as soon as practicable after each annual election of the Board of Directors. Duties for the President, Secretary and Treasurer shall be appended to these bylaws and approved or revised following the election of officers in even-numbered years. An officer so elected shall serve and hold office for one (1) year or until the election and qualification of his successor, or until his own death, resignation or removal, as provided hereafter.

Section 4.03. Other Offices. Such other offices as the efficient conduct of the business of the association may require from time to time shall be established by the Board of Directors. The Board of Directors may elect persons to hold such offices and it may delegate to such persons those duties and responsibilities as to it deems proper.

Section 4.04. Removal. The board of Directors may remove any officer of the Association at any time either with or without cause. Such action shall be by resolution of the Board of Directors declaring such removal to be in the best interest of the Association and adopted at any regular or special meeting of the Board by a majority of the directors in office at that time.

Section 4.05. Resignations. Any officer of the Association may resign at any time, such resignation may be tendered either orally or in writing, and shall be directed to any member of the Board of Directors. If an effective date is specified, the resignation shall not be effective until such date, but otherwise it shall be effective on notification of any Director. Unless it is so specified in the resignation, acceptance by the Board of Directors shall not be necessary to make effective any resignation.

ARTICLE V

BOARD OF DIRECTORS

Section 5.01. Powers of the Board. The Board of Directors shall have and exercise all the corporate powers of the Association and, except as may otherwise be expressly required by law, the Articles of Incorporation, or these Bylaws, the Board shall manage the day-to-day affairs of the Association.

Section 5.02. Qualifications, Number, and Terms of Directors. The Board of Directors shall consist of five (5) Directors. Anyone, whether a member of the Association (that is, a homeowner) or not, may serve as a Director. Directors shall be elected annually according to the provisions in Section 5.03. A Director shall hold office for a two-year term or until the election of his/her successor or until his/her death or resignation or by removal in the same manner as provided for officers in Sections 4.04 and/or 4.05.

Section 5.03. Election of the Board of Directors. There shall be held at each annual meeting of the Association an election of Directors; two Directors shall be elected in years ending with an odd digit, and three Directors shall be elected in years ending with an even digit. If such elections for whatever reasons be not held, then the Board of Directors shall cause the election to be held as soon thereafter as practicable, at a special meeting of the members called for that purpose. A quorum being present, in any election of Directors, those persons receiving the greatest number of votes shall be the directors of the Association.

Section 5.04. Annual Meeting of the Board. The Board of Directors is required to meet at least once each year, usually after the annual election of Board members. The Board may meet to elect officers and to transact other business at any time after their election as Directors. No notice shall be required for this annual meeting if it be held on the same date as the annual meeting of homeowners and at the same place. Pursuant to such notice as would suffice for special meetings of the Board, however, The annual meeting of the Directors may be held at any other time or place so long as the requirements for notice of special meetings is met, as provided for in Section 5.06.

Section 5.05. Regular Meetings. The Board of Directors may from time to time vote to set or alter the time and place of their regular meetings. Notice of regular meetings shall not be required unless the Board votes to require such notice.

Section 5.06. Special Meetings. The President of the Association or any two or more Directors may at any time call a special meeting of the Board of Directors. Notice of each such special meeting shall be required and it shall contain the time and place of the proposed special meeting. Such notice shall be sent to each Director; if by mail, addressed to him at his residence or usual place of business and postmarked at least seven (7) days before the scheduled date of the meeting; or, if by personal delivery or email, at least five (5) days before the scheduled time of the meeting.

Section 5.07. Waiver of Notice. Any Director may waive the notice required by the proceeding section by written waiver either before or after the date of the meeting. Any Director who attends a meeting, even without notice, shall however be conclusively presumed to have had timely and proper notice thereof unless he/she attends such meeting for the express purpose of objecting to the improper convening of the meeting.

Section 5.08. Place. The Board of Directors may determine the place or places where their meetings shall be held. If the Board does not pass a resolution establishing a fixed place for meetings, any meetings may be held in the place specified in the meeting notice.

Section 5.09. Conduct of the Meeting. The Chair shall be the President or, if the President is absent, by a Director chosen by a majority of the Directors present. The Chair shall determine the order of business at each meeting. The Secretary or, in the Secretary's absence any person appointed by the Chair, shall act as Secretary of the meeting.

Section 5.10. Quorum, Voting. A majority of all the Directors shall constitute a quorum for any meeting of the Board of Directors. When a quorum is present, a majority vote by the Directors present at the meeting shall be considered an act of the Board. If a quorum is not present, a majority of the Directors present may adjourn the meeting from time to time and from place to place until a quorum may be had.

Section 5.11. Action Without a Meeting. If a consent in writing, setting forth the action proposed to be taken, is signed by all the Directors, such consent shall have the same effect as a unanimous vote of the directors taken at a duly convened meeting thereof, so long as the consents all be signed prior to the taking of the action sought to be validated thereby.

Section 5.12. Committee. The appointment of a Director to any committee shall automatically terminate when the Director's term is completed, or when for whatever reason, the Director no longer serves on the Board.

Section 5.13. Summary of Minutes of Board of Directors' Meetings. Summaries of Board meeting minutes shall be posted on the HOA website and made available upon request by any member of the association.

ARTICLE VI **PROPERTY**

Section 6.01. General. The Association shall have the power to acquire and hold property, both real and personal, for the aesthetic, recreational and general civic benefit of the community.

Section 6.02. Recreational and Other Facilities. The Association shall have the power to purchase, construct, maintain and operate recreational or other facilities for the use and enjoyment of Association members.

Section 6.03. Easements. The Association shall have the right to grant easements for public utility purposes to any municipality or public utility for the purpose of installation or maintenance of utilities to serve the Common Area or to serve any Lot located in the Subdivision including the extension of said utility to adjacent Properties, provided, however, that such public utility easements shall not be inconsistent with the use of the Common Area.

Section 6.04. Maintenance. The Association shall maintain all the Common Area, including but not limited to grass cutting, the care of trees in these areas and maintenance of the sidewalk.

Section 6.05. Policing. The Association shall be charged with general public policing and control of the Subdivision and its Common Area, and the Board of Directors shall have the power to make any reasonable regulations for the control of such and the prevention of nuisances within the Subdivision and its Common Area.

ARTICLE VII **ARCHITECTURAL CONTROL**

Section 7.01. Committee Composition. The Board of Directors of the Association shall appoint the members of the Architectural Control Committee, consisting of three or more members.

Section 7.02. Purpose. The Committee shall exercise the powers set forth in Article VII of the Covenants.

Section 7.03. Power. Applications for approval of any item requiring approval pursuant to the Covenants shall be made to the Architectural Control Committee in writing accompanied by

complete plans and specifications. The Committee is empowered to reject any plans and/or specifications which it does not deem adequate. The Committee's approval or disapproval shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, such plans and specifications shall be deemed to have been approved.

Section 7.04. Enforcement. The Association shall have the power to enforce, if necessary, the decisions of the Committee as to any "request for approval" whether by injunction or other appropriate action.

ARTICLE VIII

MAINTENANCE ASSESSMENTS

Section 8.01. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, agrees to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be a personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 8.02. Purpose of assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, protection, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 8.03. Maximum Annual Assessment. (a) The maximum annual assessment may be increased each year by the Board of Directors not more than 10% above the maximum assessment for the previous year without a vote of the membership. (b) The Board of Directors shall fix the annual assessment at an amount not in excess of the maximum.

Section 8.04. Special Assessments. In addition to the annual assessments authorized above, the association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto (and including repaving of roads), provided that any such assessment shall have the assent of more than twenty percent (20%) of all members.

Section 8.05. Notice and Quorum for Any Action Authorized Under Sections 8.03 and 8.04. Written notice of any meeting called for the purpose of taking any action authorized under Section 8.03 and 8.04 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast twenty percent (20%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at

the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 8.06. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots, and may be collected on a monthly, quarterly, semi-annually or annual basis.

Section 8.07. Date of Commencement of Annual Assessments: Due Dates. The annual assessment provided for herein shall commence as to all Lots upon decision by the Board of Directors. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8.08. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 8.09. Lien for payment of Assessments and Subordination of Lien to First and Second Lien Deeds of Trust. There shall be a continuing lien upon each of the individual Lots in order to secure payment of any of the assessments provided under these Bylaws, but such lien shall be at all times subject and subordinate to any first or second mortgages or deeds of trust placed on the Lot at any time. However, at such time as the Association places to record in the Clerk's Office of the Circuit Court of Albemarle County, Virginia, a notice of delinquency as to any particular Lot on a form prescribed by the Board of Directors, then, from the time of recordation of said notice, the lien of such delinquent assessments in the amount stated in such notice shall be a lien prior to any subsequently recorded first or second mortgages or deeds of trust in the same manner as the lien of a docketed judgment in the State of Virginia. The lien of assessments provided for herein, whether or not notice has been placed on record as above provided, may be foreclosed by a Bill in Equity in the same manner as provided for the foreclosure of mortgages, vendor's liens, and liens of similar nature. A statement from the Association showing the balance due on any assessment shall be prima facie proof of the current assessment balance and delinquency, if any, due on a particular Lot.

Section 8.10. Records and Receipts. The Association shall keep and maintain detailed, accurate records in chronological order of the receipts and specifying and itemizing the expenses incurred. Such records and vouchers authorizing the payment shall be available for examination by members and others with an interest such as encumbrances or prospective lenders at convenient hours of weekdays upon reasonable notice. The person or entity keeping such records may be paid such reasonable compensation by the Association as may be determined by the Board of Directors of the Association.

ARTICLE IX
PROPERTY RIGHTS

Section 9.01. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by a Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- (c) the right of the Association to dedicate or transfer all or part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded.

Section 9.02. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on his property.

ARTICLE X
CONTRACTS, CHECKS, DRAFTS, BANK ACCOUNTS, ETC.

Section 10.01. Power of Board, Agents to Bind Association. Except as prohibited by law, the Articles of Incorporation, or these Bylaws, the Board of Directors may authorize any agent or agents to enter into any contract, or to execute any instrument in the name of and on the behalf of the Association. Any authority so conferred on such agent may be either general or special.

Section 10.02. Manner of Signing Required. The Board of Directors may from time to time by resolution determine the officers whose signatures must appear on the various checks, drafts, and other orders for payment executed on behalf of the Association.

ARTICLE XI
RESTRICTIONS AND COVENANTS

Section 11.01. General. The Association, or any Owner, shall have the right to enforce by a proceeding at law or in equity, the restrictions, conditions and covenants imposed by the Covenants. Failure by the Association or by any Owner to enforce any covenant or restriction therein contained shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE XII
AMENDMENTS

Section 12.01. By the Directors. The Board of Directors by a majority vote thereof shall have the power to make, alter, amend or repeal the Bylaws of the Association at any regular or special meeting of the Board. This power shall not be exercised by the Executive Committee or any other committee of Directors.

Section 12.02. By the Members. At any annual or special meeting, Bylaws may be adopted, and all Bylaws shall be subject to amendment, alteration, or repeal by a majority of all members entitled to vote. Pursuant to resolution adopted by a majority of the members entitled to vote, the members may provide that certain Bylaws adopted, approved, or designated by them may not be amended, altered, or repealed, except by a certain specified vote of the members.

ARTICLE XIII
MISCELLANEOUS PROVISIONS

Section 13.01. Seal. The Association shall have a corporate seal which seal shall contain the corporate name of the Association, the year of its incorporation and the word "Virginia" and which shall be in such form as may be approved by the Board of Directors.

Section 13.02. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

Section 13.03. Offices. The Association shall establish a principal and a registered office. The principal office may, but need not, be at the same place as the registered office. Such additional offices as the business of the Association may require may also be established, and the establishment of all offices shall be pursuant to resolution adopted by the Board of Directors

The foregoing revised Bylaws were adopted by the Board of Directors at a duly held meeting on April 7, 2015.