

Bylaws

BYLAWS
OF
MONTICELLO WOODS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Monticello Woods Homeowners Association, Inc., hereinafter referred to as the "Association." The principal office of the Association shall be located at 213 Ingram Road, Williamsburg, Virginia 23185, but meetings of Members and Directors may be held at such places as may be designated by the Board of Directors.

ARTICLE II
SEAL

The corporate seal of the Association shall be in circular form and shall bear the name of the Association.

ARTICLE III
DEFINITIONS

Section 1. "Association" shall mean and refer to the Monticello Woods Homeowners Association, Inc., its successors and assigns.

Section 2. "Common Area" shall mean and refer to all real property and improvements thereon owned or leased by the Association for the use and enjoyment of the Members.

Section 3. "Declaration" shall mean and refer to the covenants, conditions and restrictions and all other provisions therein set forth in the entire document, as may be amended from time to time.

Section 4. "Declarant" shall mean and refer to Powhatan Crossing, Inc., a Virginia corporation, its successors and assigns; provided, however, that no successor or assignee of Declarant shall have any rights or obligations of Declarant hereunder unless such rights and obligations are specifically set forth in the instrument of succession or assignment or which pass by operation of law.

Section 5. "First Mortgagee" shall mean and refer to an Institutional Lender who holds the first deed of trust on a Lot or Living Unit and who has notified the Association of its holdings.

Section 6. "Governing Documents" shall mean and refer to the Articles of Incorporation of the Association, the Declaration, Supplementary Declarations, and these Association Bylaws, all as initially drawn by Declarant and filed and recorded as the case may be, and all as may be duly amended from time to time.

Section 7. "Institutional Lender" shall mean and refer to one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds, or business trusts including but not limited to real estate investment trusts, any other lender regularly engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such a lender, or any private or governmental institution which has insured a loan of such a lender, or any combination of any of the foregoing entities.

Section 8. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties, with the exception of Common Area as heretofore defined, and to any condominium unit created under the Condominium Act of Virginia, as such may be

amended from time to time.

Section 9. "Members" shall mean and refer to members of the Association, which shall consist of all Owners.

Section 10. "Owner" shall mean and refer to the record holder of the fee simple title to any Lot, whether one (1) or more persons or entities, including contract sellers; the term shall exclude those having such interest merely as security for the performance of an obligation.

Section 11. "Property" shall mean and refer to all real property, which becomes subject to the Declaration, together with such other real property as may from time to time be annexed thereto.

Section 12. "Supplementary Declaration" shall mean and refer to any declaration of covenants, conditions and restrictions which may be recorded by Declarant, which extends the provisions of the Declaration to any additional property.

Section 13. "Zoning Ordinance" shall mean the zoning ordinance of the County of James City, Virginia, as amended from time to time and as such shall be applicable to the Properties.

ARTICLE IV MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on a date set by the Board of Directors, not more than fourteen (14) or less than ten (10) months from the last annual meeting, provided that there shall be an annual meeting in each calendar year.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Owners who hold one-tenth (1/10) of the outstanding Class A votes.

Section 3. Proxies. Each Member may vote in person or by proxy. All proxies shall be in writing, signed by the Member and filed with the secretary. No such proxy shall be revocable except by actual notice by the Member to the person presiding over the meeting and shall automatically cease after one (1) year. Any proxy shall be void if it is not dated, if it purports to be revocable without notice or if not signed by the Member.

Section 4. Method of Voting. Elections or questions to be submitted to all or any part of the membership may be decided at a meeting or by ballot vote, by mail or at polling places designated by the Board. The Board shall determine the method of voting by resolution and give notice thereof as provided herein.

Section 5. Quorum. A quorum at any meeting of the membership, regular or special, shall consist of twenty percent (20%) of each class of membership. Once a quorum is established at any meeting, regular or special, the quorum requirement shall be deemed to be met for the entire meeting.

ARTICLE V NOTICE

Notice for meetings where action by Members is required, meetings to amend the Articles of Incorporation, the Declaration, or the Bylaws or to propose the dissolution of the Association shall be provided to all Members specifying such proposed action in written form at least 30 days and no more than 60 days prior to such meeting or ballot poll.

(Changes per Amendment II, August 26, 2009)

Notice

of all other meetings of Members shall be provided to Members at least fifteen (15) days before

such meeting.

Notice of meetings or ballot polls shall specify the place, day and hour. In the case of a special meeting, the notice shall state the purpose of the meeting. In the case of the ballot poll, the notice shall include the matter(s) to be voted upon.

ARTICLE VI BOARD OF DIRECTORS

Section 1. Number and Term. The affairs of the Association shall be managed by a Board of five Directors, who shall be Members of the Association. A Director who ceases to be a Member of the Association shall cease to be a Director, and the Vacancy created shall be filled as provided in Section 5. Vacancies. The term of Directors shall be 3 years and Directors shall be elected on a rotating 3 year basis, with the terms of new Directors to be elected adjusted so that the term of no more than 2 of the Directors are projected to expire in any single year. To comply with this provision, the Term of each Director candidate shall each be designated as one, two, or three years at the time they are presented to the Membership for election. (Changed per Amendment II, August 26, 2009

Section 2. Method of Nomination. Candidates for election shall file a petition of candidacy, signed by not less than three (3) Members, with the Board at least three (3) weeks before the annual meeting. The Board shall provide all Members with a ballot containing the names of all bona fide candidates with the notice of the annual meeting.

Section 3. Method of Election. The Members of all Classes may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. Cumulative voting is not permitted. Those persons receiving the largest number of votes shall be elected.

Section 4. Resignation and Removal. The unexcused absence of a Director from three (3) consecutive regular meetings of the Board shall be deemed a resignation. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of all Classes of the Association.

Section 5. Vacancies. In the event of death, resignation, or removal of a Director as provided in the Bylaws, a successor shall be appointed by the Board to serve until the next Special or Annual Meeting of the Members, at which time a Director shall be elected to serve the remainder of the term of each vacant seat. In the event of a Special Meeting called for the purpose of removing Directors in accordance with the Bylaws, temporary successors shall be elected in that meeting to serve until the next Annual Meeting, when permanent Directors shall be elected.

Changed per Amendment II, August 26, 2009

Section 6. Powers. The Board of Directors shall have all powers for the conduct of the affairs of the Association which are enabled by law, the Declaration, and the Articles of Incorporation which are not specifically reserved to Members or the Developer.

Section 7. Duties. Without limiting the generality of its powers, it shall be the duty of the Board to:

- (a) exercise its powers in accordance with the Governing Documents;
- (b) cause to be kept a complete record of all its corporate affairs, make such records available for inspection by any Member, his agent or Institutional Lender who has an interest in the Property and present an annual statement thereof to the Members and First Mortgagees;
- (c) adopt and follow procedures for adoption and publication of board resolutions, including the provision for hearing and notice to members for resolution on rules, the annual budget and other matters affecting the rights of Members;
- (d) adopt and publish rules and regulations, including fees, if any, governing the use of the Common Area and facilities and the personal conduct of the Members and their guests thereon;
- (e) establish architectural standards for the Property;
- (f) supervise all officers, agents, and employees of the Association, if any, and see that their duties are properly performed;

(g) designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such accounts on behalf of the Association, and cause such persons to be bonded, as it may deem appropriate;

(h) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of the annual assessment or first installment thereof;

(i) appoint the committees prescribed in Article VIII herein and such other committees the Board deems necessary or helpful; and

(j) exercise their powers and duties in good faith, with a view to the interests of the Association and to this end adopt appropriate guidelines for action on matters where a potential conflict of interest may exist.

ARTICLE VII OFFICERS

Section 1. Enumeration of Offices. The officers of the Association shall be a president, vice president, secretary, and treasurer, and such other officers as the Board of Directors may from time to time by resolution create, all of whom shall be at all times members of the Board of Directors.

Section 2. Election of Officers. The election of Officers shall take place at the first meeting of the Board of Directors following each Annual Meeting of the Members, and Officers shall serve until the next such election. (Changed per Amendment II, August 26, 2009)

Section 3 deleted in its entirety. (Changed per Amendment II, August 26, 2009)

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such a resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office may be filled by affirmative vote by a majority of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6. Multiple Offices. The offices of president and secretary may not be held by the same person.

Section 7. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Board of Directors and of the Association (unless the Board designates another officer to preside at such meetings); see that orders and resolutions of the Board are carried out; sign all mortgages, leases, deeds and other written instruments and co-sign all promissory notes and contracts as the Board may approve from time to time.

(b) Vice President. The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and exercise and discharge such duties as may be required of him by the Board.

(c) Secretary. The secretary shall cause the minutes to be kept of all meetings and proceedings of the Board and of the Members; serve as custodian of Association files and records, keep the corporate seal of the Association and affix it on all papers requiring said seal;

cause notice to be served to members and Institutional Lenders as required in the Governing Documents; cause a roster to be maintained of the names of all Members of the Association together with their addresses, as registered by such Members; cause a roster to be maintained of all First Mortgagees, together with the properties in which each has an interest and annually send a copy of such roster to the Lead Lender; and perform such other duties as required by the Board.

(d) **Treasurer.** The treasurer shall cause all monies of the Association to be deposited in appropriate accounts and disbursed therefrom within the limits of the annual budget or as directed by resolution of the Board of Directors; co-sign any promissory notes and contracts; see that proper books of account are kept; cause an annual audit of the Association books to be made by a certified public accountant at the completion of each full fiscal year; be the chief officer responsible for the annual preparation of the budget, the income statement and the balance sheet statement to be presented to the Board at its annual meeting; and annually submit the audited financial statements.

ARTICLE VIII ARCHITECTURAL REVIEW BOARD

Section 1. **Composition.** The Architectural Review Board shall be comprised of three (3) or more members, appointed by the Board of Directors, except as set forth below, one (1) of which shall act as the Chairman. Members shall serve staggered three (3) year terms, as determined by the Board of Directors.

Until Declarant ceases to own any Lots, two (2) members of the Architectural Review Board shall be appointed by Declarant and one member shall be appointed by the Board.

After Declarant ceases to own any Lots, the members of the Architectural Review

Board shall be appointed by the Board of Directors.

Section 2. Vacancies. Appointments to fill vacancies in unexpired terms shall be made in the same manner as the original appointment.

Section 3. Duties. The Architectural Review Board shall regulate the external design, appearance and locations of the Property and improvements thereon in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography. In furtherance thereof, the Board shall:

(a) Review and approve, modify or disapprove, within thirty (30) days, all written applications of Owners and of the Association for improvements or additions to Lots or the Common Area;

(b) Periodically inspect the Property for compliance with architectural standards and approved plans for alteration;

(c) Adopt architectural guidelines and programs subject to the confirmation of the Board of Directors;

(d) Adopt procedures for the exercise of its duties; and

(e) Maintain complete and accurate records of all actions taken.

ARTICLE IX
MEETINGS OF THE BOARD OF DIRECTORS,
THE ARCHITECTURAL REVIEW BOARD
AND STANDING COMMITTEES

Section 1. Regular Meetings. Regular meetings of each board or committee shall be held without notice at such place and hour as may be fixed from time to time by resolution of such board or committee.

Section 2. Special Meetings. Special meetings of any board or committee shall be held when called by the president of the Association, by its chairman or by any two (2) members of such board or committee, after not less than three (3) days notice to each member of such board or committee.

Section 3. Quorum. A majority of the members of a board or committee shall constitute a quorum for the transaction of business.

Section 4. Executive Sessions. All meetings of boards or committees shall be open to observers except the president or chairman may call a board or committee into executive session on matters of personnel. The board of directors may convene in executive session to consider personnel matters; consult with legal counsel; discuss and consider contracts, pending or probable litigation and matters involving violations of the declaration or rules and regulations adopted pursuant thereto for which a member, his family members, tenants, guests or other invitees are responsible; or discuss and consider the personal liability of members to the association. Any action taken by a board or committee in executive session shall be recorded in the minutes of such board or committee.

Section 5. Action Taken Without a Meeting. The members of a board or committee shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the members of such board or committee. Any action so approved shall have the same effect as though taken at a meeting of the board or committee.

ARTICLE X INDEMNIFICATION

Each officer, trustee and board member of the Association, in consideration of his services as such, shall be indemnified by the Association to the extent permitted by law against expenses and liabilities reasonably incurred by him in connection with the defense of any action, suit or proceeding, civil or criminal, to which he may be a party by reason of his past or present role in the Association, except to the extent such liability, damage or injury is covered by any type of insurance. The foregoing right of indemnification shall not be exclusive of any other rights to which the person may be entitled by law, or agreement, or vote of the Members or otherwise.

ARTICLE XI FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

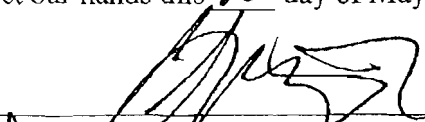
ARTICLE XII
AMENDMENT

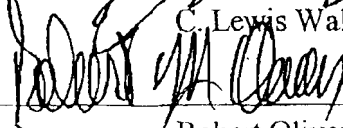
Section 1. Method. These Bylaws may be amended:

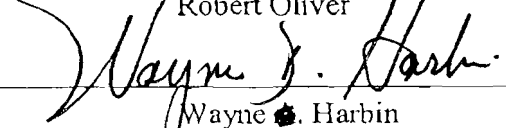
(a) At a meeting of the Members, by a two-thirds (2/3) vote of a quorum of Members, providing the proposed amendments have been included with the notice of such meeting to the Members. (Changed per Amendment II, August 26, 2009)

Amendments shall become effective upon adoption.

IN WITNESS WHEREOF, we being all the Directors of the Monticello Woods Homeowners Association, Inc., have hereunto set our hands this 20 day of May 2002.



C. Lewis Waltrip II


Robert Oliver


Wayne J. Harbin
D.