

Calvert's Glen By-Laws

Amended By-Laws
of
CALVERT'S GLEN HOMEOWNERS ASSOCIATION, INC.

Article I - Organization

Section 1. The name of this organization shall be CALVERT'S GLEN HOMEOWNERS ASSOCIATION, INC.

Section 2. The organization shall have a seal which shall be circular in form and shall have inscribed thereon the name of the organization, the State of the incorporation, the year of incorporation, and the words, "Corporate Seal". The initial seal shall be in the following form:

Section 3. The organization may, at its pleasure by a vote of the membership body, change its name.

Article II - Purposes

Section 1. The following are the purposes for which this organization has been organized:

- (a) To provide for the preservation and enhancement of the value, attractiveness and desirability of the Common Area and facilities for all those certain lots or parcels of land known as Lots 48 through 99 including (Lot) 90A and Lots 114 through 144, both inclusive. ENVIRONS, Sections Five, Six and Seven, as the same is duly dedicated, platted and recorded among the land records of Loudoun County, Virginia, and such additions thereto which from time to time may be brought within the jurisdiction of the Association (the "Properties").
- (b) To maintain, repair, landscape, construct and improve the Common Area (as such term is defined in the Declaration of Covenants, Conditions, Restrictions and Reservations of the Properties (the "Declaration") recorded among the land records of Loudoun County, Virginia) for the use, benefit, recreation, safety, and health of the residents of the Properties.
- (c) To establish capital reserves for future anticipated capital expenditures.
- (d) To purchase and maintain public liability or other insurance on the above-described Common Area and other improvements.
- (e) To file and maintain actions at law or in equity, to collect any amounts owing to the Association.

- (f) To enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed which run with and bind the above-described Properties.
- (g) To buy, sell, exchange, lease, sublease, and otherwise hold, own, maintain, control, work, distribute, develop, improve, alter, operate, manage, rent, deal in, and otherwise turn to account chattels, real estate and personal property of every nature, class and description, within or without the Commonwealth of Virginia.
- (h) To mortgage or otherwise lien, to lease, sublease, sell, convey, exchange, trade, transfer, deal in or in any manner whatever dispose of chattels, real property, and personal property of every nature, class and description, within or without the Commonwealth of Virginia.
- (i) To enter into, make and perform contracts of every kind with any person, firm, association or corporation, municipality, body, county, state, or government, and, without limit as to amount, to draw, make, accept, endorse, discount, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures, and other negotiable or transferable instruments and evidences of indebtedness, whether secured by mortgage or otherwise, so far as may be permitted by the laws of the Commonwealth of Virginia.
- (j) To issue bonds, debentures or obligations of the Association, and at the option of the Association, to secure the same by mortgage, pledge, deed of trust or otherwise.

Article III - Definitions

Section 1. "Association" shall mean and refer to Calvert's Glen Homeowners Association, Inc., a non—stock, non—profit Virginia corporation, its successors and assigns.

Section 2. "Board" and "Board of Directors" shall mean and refer to the Board of Directors of the Association, its successors and assigns.

Section 3. "Calvert's Glen" shall mean and refer to the property located in Loudoun County, Virginia, dedicated as part of ENVIRONS which becomes subject to the Declaration.

Section 4. "Common Area" shall mean and refer to all real property (including any and all improvements thereof) to be conveyed and owned by the Association for the common use and enjoyment of the members of the Association.

Section 5. "Declarant" or "Declarants" shall mean and refer to Copper Land Co., a Virginia corporation, its successors and assigns, if such successors or assigns should

acquire from the Declarant (including by foreclosure or deed in lieu of foreclosure) two (2) or more undeveloped Lots for the purpose of development.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions of Calvert's Glen applicable to the Properties recorded in the Office of the Clerk of Circuit Court of Loudoun County, Virginia, as the same may be from time to time amended.

Section 7. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat map of the Properties with the exception of the Common Area and streets dedicated to public use.

Section 8. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 9. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a 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 10. "Properties" shall mean and refer to that certain real property which has been designated as Sections Five, Six and Seven, ENVIRONS, as the same is duly dedicated, platted and recorded among the land records of Loudoun County, Virginia and such additional real property which from time to time may hereafter be brought within the jurisdiction of the Association.

Article IV - Membership and Voting

Section 1. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot described in Article III, Section 7 above which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. Membership

Class A. Class A members shall be all those Owners as defined in Article III, Section 9 above with the exception of the Declarants. The Class A members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership in the Association. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot may be exercised by the Owners as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B members shall be Copper Land Co., a Virginia corporation, it successors and assigns, if such successors or assigns should acquire from the Declarant, (including by foreclosure or deed in lieu of foreclosure) two (2) or more undeveloped Lots for the purpose of development. A Class B member shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership in the Association; provided that, the Class B membership shall cease and a Class A membership with one (1) vote for each Lot in which it holds the interest required for membership shall issue on the happening of either of the following events, whichever occurs earlier: (a) When the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership, or (b) on December 31, 1990.

Article V - Meetings

Section 1. The annual membership meeting of this organization shall be held on such day at such place and time during the months of September, October, or November each and every year beginning with the year after the year of incorporation, as the Board of Directors shall direct. The Secretary shall cause to be mailed to each Member entitled to vote at such meetings at his address as it appears In the membership roll book of the organization a notice telling the time and place of such annual meeting. Except as provided in Article V, Section 3 hereof, such notice shall be sent not less than ten (10) days nor more than fifty (50) days in advance of such meeting.

Section 2. Special meetings of the Members may be called by the Chairman of the Board of Directors, the President, or by the Board of Directors. The President shall call a special meeting of the Members at the request of one-third of the Members of the organization entitled to vote at such meeting. Such request shall be made in writing and shall state the purpose of the meeting. Notices of special meetings of the Members shall be mailed to all Members entitled to vote at such meeting at their addresses as the appear in the membership roll book. Except as provided in Article V, Section 3 hereof, such notice shall be sent at least ten (10) but not more than fifty (50) days before the scheduled date of the meeting. Such notice shall state the purpose of the meeting and by whom the meeting has been called.

Section 3. If the purpose of a membership meeting is to increase the maximum assessment, levy a special assessment, act upon a proposed amendment to the Articles of Incorporation of the Association, or a plan of merger or consolidation, notice of the meeting shall be sent at least twenty-five (25) but not more than fifty (50) days before the scheduled date of the meeting.

Section 4. Except as provided In Article XI, Section 3, a quorum at any membership meeting shall be the presence of Members in person or by proxy representing twenty-five percent (25%) of the total votes entitled to be cast at such meeting. If the required quorum is not forthcoming at any meeting, another meeting may be called and the required quorum at any such subsequent meeting shall be one-half of the required

quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. The order of business at meetings of the Members of the organization shall be substantially as follows:

- (a) Roll call, determination of quorum and agenda.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of the minutes of the preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of Directors, If applicable.
- (g) Old business.
- (h) New business.

Article VI - Board of Directors

Section 1. The business and affairs of the organization shall be managed by its Board of Directors. The Board of Directors shall in all cases act as a board and they may adopt such rules and regulations for the conduct of their meetings and the management of the organization, as they may deem proper, not inconsistent with these By—Laws and the laws of the Commonwealth of Virginia. The Board of Directors may also adopt rules and regulations for the use and enjoyment of the Common Area and any properties owned by the Association, consistent with the

Section 2. The Board of Directors shall consist of five Directors. Each Director shall hold office until the next annual meeting of the Members and until this successor shall have been elected and qualified. If there are five Directors, a quorum shall consist of three directors. If there are four or three Directors, a quorum shall consist of two directors. If there is one Director, a quorum shall consist of one director. Notwithstanding the above, if less than five Directors are validly elected, the Board of Directors shall consist of the number of Directors validly elected provided that at least one Director is validly directed.

Section 3. The annual meeting of the Board of Directors shall be held without other notice than this By-Law immediately after, and at the same place as, the annual meeting of the Members. The Directors may provide, by resolution, the time and place for holding of additional regular meetings without other notice than such resolution.

Section 4. Special meetings of the Directors may be called by any two Directors, or by the sole Director, if there is only one Director. The Director(s) who call such meeting may fix the time and place for the holding of any such special meeting.

Section 5. Notice of any special meeting of the Directors shall be given at least ten (10) days before such meeting by written notice delivered personally, or by telegram or mailed to each Director at his address as it appears on the books of the organization. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting,

except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 6. At any meeting of the Directors a majority shall constitute a quorum for the transaction of business but if less than said number is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7. Each Director shall have one vote and such voting may not be done by proxy.

Section 8. A vacancy in the Board of Directors created by the death, resignation or removal of a Director shall be filled by a vote of the majority of the remaining Directors, even though not constituting a quorum. Any new Director so elected shall serve the unexpired term of the Director whose position has been vacated. A vacancy in the Board of Directors created by an increase in the number of Directors shall be filled by a vote of the Members.

Section 9. The Board, by resolution, may designate from among its members a Chairman of the Board of Directors. The Chairman shall preside at all meetings of the Board of Directors.

Section 10. A Director may be removed by a vote of the Members or by action of the Board of Directors when sufficient cause exists for such removal. A Director may be removed without cause only by a vote of the Members.

Section 11. No compensation shall be paid to Directors, as such, for their services, but by resolution of the Board a fixed sum and expenses for actual attendance at each regular or special meeting of the Board may be authorized. Nothing herein contained shall be construed to preclude any Director from serving the organization in any other capacity and receiving compensation therefore.

Article VII - Officers

Section 1. The officers of the organization shall be a President, and a Secretary, each of whom shall be elected by the Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Directors.

Section 2. The officers of the organization to be elected by the Directors shall be elected annually at the first meeting of the Directors held after each annual meeting of the Members. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

Section 3. Any officer or agent elected or appointed by the Directors may be removed by the Directors whenever in their judgment the best interests of the organization would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Directors for the unexpired portion of the term.

Section 5. The President shall be the principal executive officer of the organization and, subject to the control of the Directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, preside at all meetings of the Members. The President may sign all deeds, contracts, agreements, and documents in connection with the development, marketing and sale of the real estate owned by the organization. He may sign, with the Secretary or any other proper officer of the corporation thereunto authorized by the Directors, mortgages, bonds, or other instruments which the Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Directors or these By-Laws to some other officer or agent of the corporation or shall be required by law to be otherwise signed or executed; and In general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Directors from time to time.

Section 6. In the absence of the President, or in the event of his death, inability or refusal to act, the Vice President, or Secretary, if there be no Vice President, shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President (or Secretary if there be no Vice President) shall perform such other duties as from time to time may be assigned to him by the President or by the Directors.

Section 7. The Secretary shall keep the minutes of the membership and the Director's meetings in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these By-Laws or as required, be custodian of the organizational records and the seal of the organization, and keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member, have general charge of the membership roll book of the corporation and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Directors.

Section 8. If required by the Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the directors may determine. He shall have charge and custody of and be responsible for all funds and securities of the organization, receive and give receipts for money due and payable to the organization from any source whatsoever, and deposit all such monies in the name of the organization in such banks, trust companies, or other depositories as shall be selected in accordance with these By-Laws and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Directors.

Section 9. The salaries of the officers shall be fixed from time to time by the Directors and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the corporation.

Article VIII - Waiver of Notice

Section 1. Notwithstanding any other provision of these By-Laws, whenever any notice of any meeting for any purpose under the provisions of the By-Laws is required to be given to any Member or Director of the organization, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Article IX - Informal Action by Members and Directors

Section 1. Unless otherwise provided by law, any action required to be taken at a meeting of the Members or of the Directors or any other action which may be taken at a meeting of the Members or Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed, either before or after such action, by all of the Members or Directors entitled to vote with respect to the subject matter thereof.

Article X - Covenant for Maintenance Assessment

Section 1. The Declarant, for each Lot owned within the Properties, had covenanted, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to have covenanted and agreed to pay to the Association: (i) Annual assessments or charges, and (ii) Special assessments for capital improvements, such as 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 assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation of an Owner shall survive any foreclosure or deed taken in lieu thereof by a mortgage.

Section 2. The assessments levied by the Association shall be used for the following purposes:

- (i) To promote the recreation, health, safety and welfare of the residents of the Properties;
- (ii) To maintain and improve the Common Area;
- (iii) To undertake, discharge, and perform its duties, responsibilities and obligations created established by the Declaration;
- (iv) To pay real estate taxes and other charges and expenses related to the Common Area;

- (v) To pay the operating costs and expenses of the Association, including attorney's fees, accountant's fees and taxes, as applicable;
- (vi) For such other purposes deemed advisable and proper by the Board of Directors to carry out the responsibilities of the Association as provided in the Declaration; and
- (vii) For the ordinary and usual business of a non— stock, non—profit corporation.

Article XI - Assessments

Section 1. Until January 1, of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment, which may be established by the Board of Directors, shall be as follows for each class as designated:

Class A — \$60.00 per year

(a) From and after January 1 of the year immediately following the conveyance of the first Lot, the maximum annual assessment may be increased by the Board of Directors effective January 1 of each year without a vote of the membership in conformance with the increase, if any, of the Consumer Price Index (All Items Index) for the Washington, D.C., standard metropolitan area (published by the Department of Labor, Washington, D.C.) or any successor Index thereto for the year ending the preceding July 1 or twenty percent (20%), whichever is greater; and.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot, the maximum annual assessment may be increased above that established by subparagraph (a) annually, provided that any such change shall have the assent by a vote of more than two-thirds (2/3) of each class of members who are voting In person or by proxy, at a meeting duly called for this purpose; and

(c) After consideration, of current maintenance costs and further needs of the Association, the Board of Directors may fix the annual assessment at an amount not In excess of the maximum.

Section 2. 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 (i) any construction, reconstruction, repair, improvement or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, and (ii) other specified purposes, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 3. Written notice of any meeting for the purpose of taking any action authorized under Sections 1 (b) or 2 of this Article shall be sent to all members not less than 25 days nor more than 50 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast forty percent (40%) of all the votes of

each class of membership 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 4. Both annual and special assessments shall be fixed at a uniform rate for all Lots not owned by the Declarant or a successor Declarant. Any Lot(s) owned by the Declarant shall be assessed at twenty-five percent (25%) of the rate of Lots not owned by the Declarant so long as the Declarant has Class B membership status. As long as the Declarant retains the right to pay only partial assessments for the unoccupied Lots, it must also maintain the Common Area at no cost to the Association and fund all budget deficits including reserves. Thereafter, such Lots will be assessed at the rate for those Lots not owned by the Declarant.

Section 5. The annual assessments provided for herein shall commence as to all Lots on the first day of January following the conveyance of the first Lot to an Owner unless otherwise deferred 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, at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the Issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 6. Any assessment or installment thereof not paid within thirty (30) days after the due date shall be subject to a late charge not to exceed ten percent (10%) of such assessment or installment thereof and shall bear Interest from the date of delinquency at the rate of twelve per centum (12%) per annum until the payment is received by the Association. Further, in any case where an assessment is payable in installments, upon a default by an Owner in the timely payment of any two (2) consecutive installments, the required payment date or dates of the remaining unpaid installments of such assessments may be accelerated, at the option of the Board of Directors, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Owner by or on behalf of the Board of Directors.

Should it be necessary in the sole discretion of the Board of Directors, to refer any assessment delinquency to an attorney for collection, the delinquent party shall be liable to the Association for the actual attorney's fees, costs and expenses incurred by the Association, whether or not suit is filed, the case reaches trial, or the matter is resolved prior to suit being filed or the matter reaching trial.

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 7. The lien of the assessments provided for herein shall be subordinate to the lien of any first deed of trust or mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a first mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer, except to the extent the Association may be entitled to any surplus sales proceeds as a junior lien creditor. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien subsequent to such sale or transfer nor shall it relieve the Owner of such Lot from personal liability for assessments accruing prior to foreclosure.

Section 8. The Common Area shall be exempt from the assessments created pursuant to the Declaration. All property interests dedicated or conveyed to a State or local government or public authority shall also be exempt from the assessments created pursuant to the Declaration.

Article XII - Amendments

Section 1. To the extent the provisions of these By-Laws address matters which are also addressed in the Declaration, the provisions of the Declaration shall control. The provisions of the By-Laws relating to such matters may be altered, amended, repealed or added to only In accordance with the Declaration and by the affirmative votes of the requisite number of votes of the membership or the requisite number of lot owners required to approve an amendment of the corresponding provisions of the Declaration. Any valid amendment of the Declaration duly recorded among the land records of Loudoun County, Virginia, shall be deemed to be an amendment of the provisions, if any, of these By-Laws.

Section 2. Except as provided in Section 1 of this Article, these By-Laws may be altered, amended, repealed or added to by an affirmative membership vote of not less than two thirds (2/3) of the total votes entitled to be cast at the time of such vote.