

BYLAWS
OF
CRESCENT RIDGE TOWNHOMES HOMEOWNERS' ASSOCIATION

ARTICLE I
DEFINITIONS

Section 1.01. “Act” shall mean and refer to the Virginia Property Owners’ Association Act, Chapter 26 of the Title 55.1 of the Code of Virginia of 1950, as amended and future amendments or succeeding provisions.

Section 1.02. “ACC” shall mean and refer to the board established in the Declaration for the purpose of regulating the external design, appearance and use of the Common Area, Lots and improvements thereon.

Section 1.03. “Association” shall mean and refer to Crescent Ridge Townhomes Homeowners’ Association, a non-stock corporation organized and existing under Chapter 10 of Title 13.1 of the Code (as hereinafter defined), its successors and assigns.

Section 1.04. “Code” shall mean and refer to the Code of Virginia of 1950, as amended.

Section 1.05. “Common Area” shall have the meaning set forth in the Declaration.

Section 1.06. “Declarant” shall mean and refer to Crescent Ridge, LLC, a Virginia limited liability company, its successors and assigns as developer and declarant appointed by recorded instrument.

Section 1.07. “Declaration” shall mean and refer to the Crescent Ridge Townhomes Homeowners’ Association Declaration of Covenants, Conditions, Restrictions and Easements dated January 29, 2020 for the Crescent Ridge Subdivision in Rockingham County, Virginia, which was recorded in the Clerk’s Office of the Circuit Court of Rockingham County, Virginia on January 31, 2020 in Deed Book 5208, page 489, and all subsequent or supplemental declarations of restrictions, covenants and the like as may be added thereto, and any amendments or modifications thereof.

Section 1.08. “Lot” shall have the same meaning set forth in the Declaration.

Section 1.09. “Member” shall have the same meaning set forth in the Declaration.

Section 1.10. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, including the Declarant, of the fee simple title to the Lots, and/or any parcel(s) of record which may be created therefrom in the future, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation. In the case where any Lot is held by one or more persons for life with the remainder to another or others, the term “Owner” shall mean and refer only to such life tenant or tenants until such time as the remainderman or remaindermen come into use, possession or enjoyment of such Parcel.

Section 1.11. “Ownership Certificate” shall mean and refer to a certificate on file with the Association which, in the case of a Lot in which the ownership interest is held by more than one person or entity, names the person entitled to exercise the voting rights of the Owner of the Lot. In order to be effective, such certificates must be signed by all of the Owners of the Lot to which the Ownership Certificate applies.

Section 1.12. “Plat” shall mean that certain plat of the Property made by James A. Patton, L.S., dated May 1, 2019, entitled “Amended Final Plat Crescent Ridge Subdivision, Section 1” of record in the aforesaid Clerk’s Office in Deed Book 5131, page 500 and subsequent subdivision plats of the Property added by recorded supplemental declarations.

Section 1.13. “Property” shall mean and refer to that certain real property described on the Plat, and such additions thereto as may hereafter be brought within the jurisdiction of the Association and made subject to the Declaration by supplementary declaration, all of which may be designated as “Crescent Ridge.”

Section 1.14. “Roads” shall mean and refer to the private rights of way, as shown and described on the Plat as “Bluemoon Drive”, “Harvest Court”, and “Earthshine Way” on the Property which provide access between the Lots and the Common Area (as defined in the Declaration and subsequent supplemental declarations).

The foregoing definitions shall also refer to plurals of said terms as may be used from time to time herein as the context requires. Any capitalized words not defined herein shall have the meanings set forth in the Declaration.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS

Section 2.01. Every Owner of a Lot shall be a Member of the Association. In addition, Declarant shall be a Member of the Association so long as Declarant owns any Lot or any portion of the Property. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of such Lot (or portion of the Property in the case of the Declarant) shall be the sole qualification for membership.

Section 2.02. The Association shall have two classes of voting membership (Class A and Class B), as defined in the Declaration.

Section 2.03. Suspension of Voting Rights. The Association shall have the power to suspend the voting rights of a Member during any period in which any assessment against such Member's Lot remains unpaid in accordance with the applicable provisions of the Declaration.

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 p.m. on the second Wednesday of January 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 Directors shall be elected at the annual meetings as set forth in Section 5.04 below, and such other business as may properly come before the meeting may be transacted.

Section 3.02. Special Meeting. The President of the Association, or a majority of the Board of Directors, or Members holding ten percent (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 meeting in accordance with the Act, currently Sections 55.1-1815 and 55-1832 of the Act. 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 sent by U.S. Mail or hand delivered by an officer or agent (who certifies in writing that such notice was delivered) to each Member entitled to vote at the meeting, not less than seven (7), nor more than fourteen (14) days before the scheduled date of the meeting. A notice mailed via U.S. Mail, postage prepaid, within the specified time period to a Member at either the property address of his Lot or to 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 therefor.

Section 3.04. Place of Meeting. Each meeting of the Members of the Association shall be held within the City of Harrisonburg or Rockingham County, Virginia. It may be held either at the principal office of the Association, or at any other place in the aforesaid jurisdictions, so long as the place is in either case specified in the notice of such meeting.

Section 3.05. Quorum. Except as may be otherwise provided by the Declaration or other provision herein, the quorum required for any action which is subject to the vote of the Members at meetings of the Association shall be the presence at the meeting of the Members or proxies entitled to cast twenty-five percent (25%) of the total vote of the Membership. ‘

If the required quorum is not present at any duly-called meeting, another meeting or meeting may be called subject to the giving of proper notice and the required quorum at each subsequent meeting or meetings shall be one-half of the required quorum at the preceding meeting.

Section 3.07. Conduct of the Meeting. The President of the Association shall act as chairman at each meeting of the Members. In his absence, the Vice President, or should he also be absent, then a Member chosen by a majority vote of the Members present and entitled to vote, shall act as chairman 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 Chairman 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 written proxy, and entitled to vote at such meeting.

Section 3.08. Action Without Meeting. If a consent in writing, setting forth the action taken or to be taken, shall be signed by all 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.

Section 3.09. Proxies. Members unable to attend any meeting of the Members for any reason may give their written proxy to any person and such proxy may vote at any such meeting in accordance with the Articles of Incorporation of the Association, these Bylaws, and Section 13.1-847 of the Code. In the event that more than one person or entity owns an interest in any one Lot, then the proxy must be signed by the person named in the Ownership Certificate or by all such persons or entities, as the case may be, with an ownership interest in the Lot. In order to ascertain the validity of any written proxy, the Secretary of the Association (or acting Secretary in his absence) may rely upon the records of the Association as to the ownership of any Lot unless the written proxy is accompanied by evidence of such ownership of a Lot as is satisfactory to the Secretary (or acting Secretary in his absence) which is contrary to that reflected in the records of the Association.

Section 3.10. Removal of Directors. The Members may remove any director of the Association with or without cause at any regular or special meeting of the Members, provided notice of the proposed removal was given in the notice of the meeting, or the Members act by unanimous written consent (in which case no notice is necessary). Such action shall be by resolution of the Members declaring such removal to be in the best interests of the Association,

and adopted at any regular or special meeting of the Members as aforesaid by a two-thirds (2/3) majority of the Members constituting a quorum at any such meeting. While the Declarant owns any Lot, this Section shall not be operative.

ARTICLE IV

OFFICERS

Section 4.01. Officers. The Association shall have a President, one or more Vice Presidents, a Treasurer, a Secretary, and such other 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. The Officers are not required to be Members of the Association.

Section 4.02. Qualifications, How Elected, 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 directors. An officer so elected shall serve and hold office for one (1) year or until the election and qualification of his successor, or until the earlier of 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 interests 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 and may adopt rules and regulations and enforce them and the Declaration through penalty assessments and otherwise, pursuant to the Act, currently Sections 55-1819 and 55-1828 of the Code. The Board of Directors may engage a managing agent or company to manage the day-to-day affairs of the Association pursuant to Section 10.05 below.

Section 5.02. Terms of Initial Directors. Each initial director shall serve until the annual meeting of the Members in January, 2021, or until the election and qualification of his successor or until his own death, resignation, or removal in the manner provided hereinabove.

Section 5.03. Qualifications, Number, and Term of Directors. The Association shall have a Board of Directors consisting of not less than three (3) directors. The number of directors of the Association may be a variable range as authorized by Section 13.1-855.C of the Code. The variable range shall be a minimum of three (3) directors and a maximum of seven (7) directors. Any person, whether a Member of the Association or not, may be elected and serve as a director of the Association; however, the President of the Association shall be a director. Directors shall be elected annually as hereinafter provided. A director so elected shall, except as hereinafter provided in Section 5.04, serve and hold office for a two-year term or until the election and qualification of his successor or until his death, resignation, or removal in the manner provided hereafter.

Section 5.04. Election of the Board of Directors. Following the expiration of the terms of the initial directors, there shall be held at each annual meeting of the Members of the Association an election of directors. At the first annual meeting of the Members at which directors are elected, if an odd number just over one-half (1/2) of the directors to be elected or if an even number one-half (1/2) of the directors shall be elected to terms of two (2) years, and the remainder shall be elected to terms of one (1) year. Thereafter, except as otherwise provided herein, successors to directors whose terms are expiring shall be elected at each successive annual meeting of the Members and take office upon election. If the size of the Board is being increased, one-half (1/2) (as near as may be as aforesaid) of the number of new directors to be elected to new Board seats shall be elected to terms of two (2) years, and the remainder shall be elected to terms of one (1) year. If the size of the Board is being decreased, successors to as many Board seats as are being vacated by such action shall not be elected when the terms of directors in office expire, and a vote shall be taken to modify the terms of the directors in office as may be appropriate, to have one-half (1/2) (as near as may be) of the directors' terms expire at the next annual meeting of the Members and one-half (1/2) (as near as may be) of the directors' terms expire at the annual meeting of the Members following the next annual meeting of the Members. If any such elections for whatever reasons shall not be held, then the Board of

Directors shall cause any such elections 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.

Notwithstanding the foregoing provisions of this Section 5.04, upon the affirmative vote of a majority of Members present at a meeting at which there is a quorum present: (1) the terms of any or all directors may be modified, provided that the notice of such meeting must state the recommended action; and (2) directors may be elected and take office at any regular or special meeting of the Board; provided that the notice of such meeting must state the recommended action. While not limiting the authority of the Members, the intention of the foregoing sentence is to permit adjustments in directors' terms to preserve the benefit of staggered terms, particularly when the Board size changes with resignations, vacancies or Board growth, and to provide as much flexibility as possible in recruiting persons to serve as directors.

Section 5.05. Annual Meeting of the Board. The Board of Directors may meet in order to elect officers and to transact other business at any time after their election as directors, preferably immediately following the annual meeting of the Members. No notice shall be required for such annual meeting if it be held on the same date, and at the same place, and immediately following any annual meeting of the Members. Pursuant to such notice as would suffice for special meetings of the Board, however, the annual meeting of the Board of Directors may also be held at any other time or place specified in such notice.

Section 5.06. Regular Meetings. The Board of Directors may from time to time by resolution fix the time and place of their regular meetings. Written notice of such meetings shall not be required unless by resolution of the Board.

Section 5.07. 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 electronic transmission (e-mail), if authorized by such director, at least four (4) days before the scheduled time of the meeting. Notice of special emergency meetings of the Board of Directors shall be as reasonable under the circumstances.

Section 5.08. 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 attends such meeting for the express purpose of objecting to the improper convening of such meeting.

Section 5.09. Place. The Board of Directors may by resolution determine the place or places where their meetings may be held in the place or places specified in the notice thereof.

Section 5.10. Conduct of the Meeting. The President of the Association or a director chosen by a majority of the directors present should the President be absent, shall act as chairman of each meeting of the Board of Directors. The Chairman shall determine the order of business at each meeting. The Secretary of the Association, or in his absence, any person appointed by the Chairman, shall act as Secretary of the meeting.

Section 5.11. Quorum, Voting. A majority of all the directors shall constitute a quorum if present at any meeting of the Board of Directors. Any business that may properly come before such meeting may thereafter be transacted by the vote of a majority of the directors present at the meeting, and such vote shall be considered the act of the Board. Directors shall have no power as individuals, but shall only act as a Board. Should a quorum not be 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 established.

Section 5.12. Property Owners' Association Act. Notwithstanding any other provisions of these Bylaws, all meetings of the Board of Directors shall be noticed, held and conducted in conformance with the Act, currently Section 55-1816 of the Code.

Section 5.13. Committees. The Board of Directors may delegate its authority to a committee; provided that a committee may not (i) fill vacancies on the Board of Directors or on any of its committees; (ii) amend the Declaration; (iii) amend, adopt or repeal these Bylaws; or (iv) approve the sale lease or exchange or the mortgage, pledge or other disposition of all or substantially all of the property and assets of the Association.

Section 5.14. Capital Reserves. Once every five (5) years, the Board of Directors shall conduct a study to determine the necessity and amount of reserves required to repair, replace and restore capital components for which the Association is responsible. The Board of Directors shall review such reserve study on an annual basis to determine if the capital reserves are sufficient and make adjustments, if necessary, all in conformance with the Act, currently Section 55-514.1 of the Code.

Section 5.15. Summary of Minutes of All Board of Directors' Meetings. If requested by any Member, the Secretary or his designee shall deliver a written summary of the minutes of any meeting held by the Board of Directors to such Member in a timely fashion. Except for portions of meetings in executive session or as set forth in Section 55-1816 of the Act, draft minutes shall be open for inspection and copying (i) within sixty (60) days of the meeting to which such minutes pertain, or (ii) when distributed to Directors, whichever is earlier.

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 in accordance with the terms of the Declaration.

Section 6.02. Common Area. The Association shall have the power to accept the transfer of the legal title to the Common Area from the Declarant. The Association shall have the power to convey or transfer all or any part of the Common Area as provided in the Declaration.

Section 6.03. Recreational and Other Facilities. Except as otherwise required by or provided in the Declaration, the Association shall have the power but not the obligation to purchase, lease, construct, maintain and operate recreational or other facilities for the use and enjoyment of Members of their immediate families, guests and tenants.

Section 6.04. Utility 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, including the extension of said utility to adjacent property. The Association shall have the power to grant easements as provided in the Declaration.

Section 6.05. Maintenance and Related Matters. The Association shall promote the enjoyment, health, safety, and welfare of the residents on the Property. In particular, the Association shall employ its resources to provide for the repair, improvement, provision, maintenance, enhancement and replacement of the Roads and Common Area, drainage facilities, signs, landscaping, grounds, fencing, exterior lighting, sprinkler systems, mailboxes, services, and facilities related to the use and enjoyment of the entire Crescent Ridge subdivision, including but not limited to the Roads and Common Area, and for establishing reasonable reserves for future maintenance and capital expenditures relating to the aforesaid items. In addition to the foregoing the Association shall use its resources at such times and in such manner as determined by the Board of Directors in order to carry out the Association's responsibilities under the Declaration.

Section 6.06. Policing; Traffic and Parking. The Association shall be charged with general public policing and control of the Property and its Common Area and the Board of Directors of the Association shall have the power, pursuant to the Act, currently Section 55-1819 of the Code, to make any reasonable rules and regulations for the control of such, including, if deemed necessary by the Association, assigning specific parking spaces to specific Lots, and the prevention of nuisances within the Property and its Common Area which are not contrary to the terms of the Declaration.

Section 6.07. Suspension of Services, Privileges. The Association shall have the power, in accordance with the Act, currently Section 55-1819 of the Code, to suspend a Member's right to use recreational facilities and services supplied by the Association to any Member during any period in which any assessment against such Member's Lot remains unpaid in accordance with applicable provisions of the Declaration; provided, however, that a Member's right to use the Roads for access to his Lot shall never be suspended.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 7.01. Architectural Control. All matters relating to the Association's powers and responsibilities with respect to architectural control are set forth in the Declaration.

ARTICLE VIII

ASSESSMENTS

Section 8.01. Assessments. All matters relating to the Association's powers and responsibilities with respect to Assessments and Special Assessments are set forth in the Declaration, except for penalty assessments or charges for violating the Declaration or adopted rules and regulations, pursuant to the Act, currently Section 55-1819 of the Code.

ARTICLE IX

PROPERTY RIGHTS

Section 9.01. Each Member's rights of enjoyment of the Common Area and Member's Easements and any other property owned or controlled by the Association and restrictions thereto are set forth in the Declaration.

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 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.

Section 10.03. Deposits. The Board of Directors may from time to time by resolution determine and designate the various banks, trust companies, or other depositories in which the funds of the Association not otherwise employed or invested shall be deposited, provided that all such Association funds shall be held in federally insured financial institution and segregated from any funds belonging to any managing agent or other associations.

Section 10.04. Bonds. The Association, through the Board of Directors shall obtain and maintain a fidelity bond or employee dishonesty policy insuring the Association against losses sustained by theft or dishonesty by officers, directors or employees of the Association or by a managing agent or employees of such agent, pursuant to the Act, currently Section 55-1827 of the Code..

Section 10.05. Contracts for Management and Maintenance Services. The Board of Directors may, in its discretion, arrange to have the management, maintenance and care-taking functions of the Association or any part thereof performed by a managing agent or other third party or parties pursuant to contract.

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 Declaration. Failure by the Association or by any Owner to enforce any covenant, easement, condition, or restriction contained in the Declaration 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 any 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.

Section 12.03. Acknowledgement of Priority of Declaration. Notwithstanding any provision of these Bylaws to the contrary, the Declaration is superior to the Bylaws and any provisions of the Bylaws which are inconsistent with any provision of the Declaration is void and unenforceable. Likewise, any amendment of a provision of the Bylaws which is inconsistent with any provision of the Declaration is ineffective to amend the Declaration (which can only be amended as set forth therein) and also void and unenforceable.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 13.01. Seal. The Association shall have a corporate seal as described in the Declaration 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 of 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 Bylaws were adopted by the Board of Directors by unanimous consent effective as of _____, 2020.

_____, Secretary