

**BY-LAWS OF
MOUNTAIN VIEW SHORES
HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the Association is Mountain View Shores Homeowners Association Inc. hereinafter referred to as the "Association." The principal office of the Association shall be PO Box 66, Huddleston, Virginia 24104. Meetings of Members of the Association and Directors may be held at such places within the Commonwealth of Virginia, County of Bedford, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 1. "Association" shall mean and refer to Mountain View Shores Homeowners Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property shown and described on the plats of Sections 1, 2, 3, and 4, of Mountain View Shores as recorded in the Clerk's Office of the Circuit Court of Bedford County, Virginia.

Section 3. "Common Area" shall mean all property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plats of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Member" shall mean and refer to those persons entitled to membership in the Mountain View Shares Homeowners Association, Inc. as provided in the Articles of Incorporation.

**ARTICLE III
MEETING OF MEMBERS**

Section 1. Annual Meetings. Annual Meetings of Members of the Association shall be held on the third Saturday of each August at one o'clock, p.m. or another date specified by the Board. .

Section 2. Special Meetings. Special Meetings of the Members of the Association may be called at any time by the President or by the Board of Directors, or upon written request of a number of the Members of the Association equal to at least one-twentieth (1/20) of the votes entitled to be cast at such meeting.

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Section 3. Notice of Meeting. Written notice of each meeting of the Members of the Association shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, no less than 30 days nor no more than 60 days before the date of such meeting to each Member-of the Association entitled to vote thereat. Such notice shall specify the place, day and hour of the meeting, and, in the case of a Special Meeting, the purpose of the meeting. A proxy authorization shall accompany each notice.

Section 4. Quorum. The presence at the meeting of Members of the Association holding one-tenth of the votes entitled to be cast, who may be represented in person or by proxy, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members of the Association entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members of the Association, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Each proxy shall be revocable by the Member and shall automatically cease upon conveyance by a Member, of the Member's lot, to another owner,

**ARTICLE IV
BOARD OF DIRECTORS, SELECTION, TERM OF OFFICE**

Section 1. Number. The affairs of this Association shall be managed by a Board of seven (7) Directors (the "Board of Directors" or the "Board"), who must be Members of the Association.

Section 2. Term of Office. Directors shall serve for terms of two years from the date of the Annual Meeting at which they were elected.

Each Director may be elected to an additional two year term, but no Director shall serve more than two consecutive terms. Any vacancy occurring in the membership of the Board may be filled by an appointment by the remaining members of the Board until the next Annual Meeting of the Association when the Members of the Association will elect a successor in accordance with the Articles of Incorporation and these By-laws. Any member of the Board so elected shall be eligible to serve an additional two consecutive two-year terms provided they have served no more than one year.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association present or represented by Proxy at a Special Meeting called for the purpose of removing such Director at which a quorum exists. In the event of death, resignation or removal of a Director, a successor shall be selected by the remaining members of the Board and shall serve until the next Annual Meeting of the Association.

Section 4. Compensation. No Director shall receive compensation for any service rendered to the Association. However, Directors may be reimbursed for actual expenses incurred in the performance of their duties.

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Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining approval of all Directors. Such action must be evidenced by one or more written consents stating the action taken, signed by each Director either before or after the action taken and included in the minutes or filed with the corporate records reflecting the action taken.

**ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Nominations. Nomination for election to the Board of Directors and for the President, Vice President, Secretary and Treasurer of the Association shall be made by a Nominating Committee. Nominations may also be made from the floor at the Annual Meeting. The Nominating Committee shall consist of a Chairman, who shall be an outgoing member of the Board of Directors, and two or more Members of the Association. Nominating Committee members are ineligible for election to office. The Nominating Committee shall be appointed by the Board of Directors at least six months prior to each Annual Meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors and for Officers as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. The Nominating Committee's responsibility is to the membership and not to the Board of Directors.

Section 2. Election. Election to the Board of Directors and for Officers shall be by closed written ballot. At such election, the Members of the Association, who may be present or represented by their proxies, may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. The persons receiving a majority of votes shall be elected. If no candidate receives a majority and there are more than two candidates for an office, the person receiving the fewest number of votes will be dropped from consideration. The process will be continued until only two candidates remain. In the event of a tie between candidates, additional votes will be taken until one candidate receives a majority. Cumulative voting is not permitted.

**ARTICLE VI
MEETINGS OF DIRECTORS**

Section 1. Regular Meetings. Regular Meetings of the Board of Directors shall normally be held monthly, at such place and hour as decided by the Board.

Section 2. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President, or by any two Directors, after not less than three (3) days notice to each Director.

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Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors voting at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

**ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Powers. The Board of Directors shall have power to take such actions as may be necessary and convenient to carry out the purpose and business of the Association, including but not limited to the power to:

(a) adopt and publish rules and regulations, not in conflict with the Restrictions, governing the use of the Common Areas and facilities, and the personal conduct of the members of the Association and their guests thereon, and establish penalties for the infraction thereof, keeping in mind that all Members in good standing have the right to use all common facilities;

(b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation, or the Restrictions.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all acts and corporate affairs and to present a statement thereof to the Members of the Association at the Annual Meeting of the Members of the Association, or at any Special Meeting when such statement is requested in writing by a number of the members of the Association representing at least one-twentieth (1/20) of the votes entitled to be cast at such meeting;

(b) supervise all officers, and agents of this Association, and see that their duties are properly performed;

(c) fix and collect assessments:

(1) recommend the amount of Annual Assessment, subject to the Restrictions against each Lot at least thirty (30) days in advance of each Annual or Special Meeting;

(2) send written notice of each Annual Assessment to every Owner within a reasonable time on or about January 1st each year;

(3) send written notice of each Special Assessment and late fees to every Owner within a reasonable term after such assessment is properly authorized and at least thirty (30) days prior to the payment date for such assessment;

(4) may bring an action at law against any property for which assessments and late fees are not paid within ninety (90) days after due date;

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- (d) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (e) cause all Officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (f) cause the Common Areas, and road, to be maintained; and,
- (g) enforce all Restrictions.

**ARTICLE VIII
OFFICERS AND THEIR DUTIES**

Section 1. Enumeration of Officers. The Officers of this Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Members of the Association from the membership of the Board of Directors, and such other Officers as the Board may from time to time by resolution create and appoint.

Section 2. Term. The Officers of this Association shall be elected at each Annual Meeting and each shall hold office for one (1) year until the next Annual Meeting, unless the Officer shall sooner resign, or shall be removed, or otherwise disqualify to serve.

Section 3. Resignations and Removal. Any Officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt or such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he replaces, or he may be replaced by the Members of the Association at a Special Meeting at which a quorum exists.

Section 5. Duties. The duties of the Officers are as follows:

- (a) President: The President shall preside at all meetings of the Association and the Board of Directors; shall see that all orders and resolutions of the Board are carried out; and shall execute all documents approved by the Board.
- (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 shall exercise and discharge such other duties as may be required of him by the Board.
- (c) Secretary: The Secretary shall record the votes and keep the minutes of all monthly board meetings and of the Annual Meeting of all membership; keep appropriate current records; write and mail correspondence; ensure that disclosure packets are provided upon request to all potential new purchasers within Mountain View Shores; hold historical files, and other duties as required by the Board. Between the Secretary and Treasurer, shall ensure there will be one current list of members of the Association and their addresses.

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(d) Treasurer: The Treasurer shall send written notice of annual dues and special assessments; shall receive and deposit in appropriate bank accounts all monies of the Associations and shall disburse such funds as directed by resolution of the Board of directors; shall sign all checks; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular Annual Meeting, providing a copy of each to the members, and shall perform such other duties as required by the Board.

**ARTICLE IX
COMMITTEES**

The Board of Directors, or the President with the approval of the Board of Directors, shall appoint a Review Committee to review site and building plans to ensure compliance with Restrictions; a nominating Committee, as provided in these By-Laws; an Audit Committee to review the finances of the Association and any such other committees as deemed appropriate in carrying out its purpose.

**ARTICLE X
INDEMNIFICATION**

The Association may indemnify the Board of Directors, officers, employees and agents of the Association in accordance with the provisions set forth in §§ 13.1-875 through 883 of the Code of Virginia of 1950, as may from time to time be amended, or any successor statute thereto.

**ARTICLE XI
BOOKS AND RECORDS**

The books, records and papers of the Association shall be subject to inspection by any Member of the Association after request has been made, in writing, to the Board of Directors. The date and time for such inspection will be determined by the Secretary or Treasurer at his/her convenience. The Articles of Incorporation and the By-Laws of the Association shall be available to Members of the Association upon request and a fee paid to cover cost of printing and mailing.

**ARTICLE XII
ANNUAL ASSESSMENT**

Pursuant to the Restrictions, each Member of the Association is obligated to pay Annual Assessments to the Association. The amounts of the Annual Assessments shall be

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recommended by the Board of Directors within the guidelines set forth in the Restrictions. Any increase in annual assessments shall be fixed by a two-thirds vote of the Members of the Association, who may be present or represented by proxy, at the Annual Meeting or any Special Meeting at which a quorum, exists. These Assessments are for the calendar year and are the responsibility of the owner of the property on January 1st of that calendar year and are due and payable by January 31st of that year. These Assessments shall be secured by a continuing lien upon the property against which the Assessment is made. Any Special Assessments and late fees which are not paid when due shall be delinquent and will be assessed a late fee established by the Board per lot owned.

If the Assessment and late fees are not paid within ninety (90) days after the due date, the Assessment and late fees shall bear interest from the date of delinquency at the rate of one percent (1%) per month of the unpaid balance, and the Association may bring an action at law against the Owner personally obligated to pay the same and initiate a lien against the property for the unpaid balance, and interest. costs, and reasonable attorneys' fees of any such action shall be added to the amount of such Assessment and late fees. No Owner may waive or otherwise escape liability for the Assessments and late fees provided for herein by non-use of the Common Area or abandonment of his Lot

**ARTICLE XIII
SPECIAL ASSESSMENTS**

Section 1. Purpose. From time to time additional monies may be needed for paving and maintaining the roads, for improving the Common Areas and for carrying out the purpose of the Association as set forth in the-Articles of Incorporation. If these costs cannot be adequately provided by the Annual Assessment, special Assessments will be necessary. The Board of Directors shall recommend the amount, time for payment and late fees of any special Assessments and the amount and time for payment of same shall be fixed by a majority vote of the Members of the Association, who may be present or represented by proxy, at the Annual Meeting or any Special Meeting at which a quorum exists. If the special assessment and late fees are not paid within 90 days after the due date, the Association may take action at law against the owners personally obligated to pay the same, and obtain a lien against the property for the special assessment, late fees, costs and reasonable attorney fees of any such action.

Section 2. Method. A detailed description of the reasons requiring a Special Assessment, its amount and-its payment date shall be given to all Members of the Association at least thirty (30) days prior to the Annual Meeting or Special Meeting of the Members of the Association at which a vote on such Special Assessment shall be taken.

Section 3. Disposition of-Special Assessment. Special Assessments shall be paid to the Treasurer, and shall be placed in a separate, interest-bearing account. The Board, or a committee appointed by the Board, shall be solely responsible for the proper expenditure of a specific Special Assessment. The Board shall certify that the expenditures are made in the most efficient manner to benefit all Members of the Association.

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**ARTICLE XIV
AMENDMENTS**

Section 1. These By-Laws may be amended, at an Annual Meeting or Special Meeting of the Members of the Association at which a quorum exists, by a vote of a majority of members of the Association, who may be present or represented by proxy.

Section 2. In case of any conflict between the Restrictions, the Articles of Incorporation and the By-Laws, the Restrictions, Articles of Incorporation and By-Laws shall take precedence in that order.

**ARTICLE XV
FISCAL YEAR**

FISCAL YEAR: The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

**ARTICLE XVI
PARLIAMENTARY AUTHORITY**

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with the Restrictions, the Articles of Incorporation and By-Laws.

IN WITNESS WHEREOF, we being all of the Directors of the Mountain View Shores Homeowners Association, Inc., do hereby adopt, pursuant to the vote of a majority vote of the Members of the Association, who were present or represented by proxy, at its annual meeting held on August 21, 1999, these By-Laws and have hereunto set our hands this 21st day of August, 1999. Hereafter, this document shall be titled By-Laws of Mountain View Shores Homeowners Association.

Lee Bender, President

Ilse Ahrens, Member

Lois Spencer, Vice President

Don Moorman, Member

Richard Kopp, Treasurer

Richard Murphy, Member

Sandra Grey, Secretary

(original signed by above named officers, 8/21/1999)