

BY-LAWS
of
CHURCH RUN HOMEOWNERS ASSOCIATION, INC.

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**BY-LAWS
OF
CHURCH RUN HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I

Name

This organization shall be known as the Church Run Homeowners Association, Inc. The address of the organization shall be P.O. Box _____, Richmond, Virginia 23233. Meetings of members and directors may be held at such places within the Commonwealth of Virginia, County of Henrico, as may be designated by the Board of Directors.

ARTICLE II

Purpose

The purpose of this organization shall be to aid in the advancement and betterment of conditions in Church Run, a sub-division in western Henrico and to promote and maintain the social, moral, civic, recreational and educational interests of Church Run and the County of Henrico.

ARTICLE III

Definitions

Section 1. “Association” shall mean and refer to Church Run Homeowners Association, Inc., a Virginia corporation, its successors and assigns.

Section 2. “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 3. “Properties” shall mean and refer to that certain real property as described in Schedule A, of the Declaration of Covenants, Easements and Conditions and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. “Common Area” shall mean all real property owned by the Association for the common use and enjoyment of the owners as described in Schedule B of the Declaration of Covenants, Easements and Conditions.

Section 5. “Lot” shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. “Declarant” shall mean and refer to EUHJAJO, Inc., a Virginia corporation, and any other developer to whom lots may be sold for development purposes out of the Properties.

Section 7. “Declaration” shall mean and refer to the Declaration of Covenants, Easements and Conditions applicable to the Properties recorded in the Office of the Clerk of the Circuit Court of Henrico County, Virginia.

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

Section 9. “Facilities” shall mean any improvement constructed or placed on the Common Area.

ARTICLE IV

Membership and Voting Rights

Section 1. Membership. Every Owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights may be suspended by the Board of Directors until such assessment has been paid. The rights of a member may also be suspended, after a notice by, and a hearing before the Board of Directors, for a period not to exceed ninety (90) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area and facilities.

Section 3. Voting Rights. The Association shall have one class of voting membership.

Class A. Class A members shall be all Owners including Declarant and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for each Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

ARTICLE V

Meetings of Members

Section 1. Annual Meetings. The annual meeting of the members shall be held on the third Tuesday in January of each at the hour of 7:00 o'clock P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

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 members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Notice of Meetings. Except as required by Article XII, written notice of each meeting of the members 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, at least 15 days

before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. 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.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast one-fourth (1/4) of the votes of Class A membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members 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, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

Section 6. Power of Nullification. Any action of the membership taken at an Annual Meeting or at any Special Meeting held in compliance with the By-laws of the Association shall stand except when a majority of the Class A members vote at a subsequently legally held meeting to nullify the previous action except for actions taken under Article XII.

Section 7. Action Taken Without a Meeting. The members shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the unanimous written consent of all the members. Any action so approved shall have the same effect as though taken at a meeting of the members.

ARTICLE VI

Board of Directors: Selection and Term of Office

Section 1. Number. The affairs of this Association shall be managed by a Board of directors, who must be members of the Association. The number of directors shall be set at the annual meeting but in no event shall exceed seven (7).

Section 2. Election. At the annual meeting the members shall elect each director for a term of one year, by majority vote.

Section 3. Removal. Any directors may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation and Indemnification. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties. Pursuant to Article IX of the Virginia Non-Stock Corporation Act, as amended, the Association may, by a majority vote of its members, indemnify any director against liability, and/or pay for or reimburse the reasonable expenses incurred by any director, resulting from any proceeding in which the director is made a party.

ARTICLE VII

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

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

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 present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. 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 the unanimous written consent of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 5. Open Meetings. All meetings of the Board of Directors are open to all members and their representatives.

ARTICLE VIII

Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors 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 a member of the current standing Board of Directors, and two or more members of the Association, two of which are not members of the Board of Directors. The Nominating Committee shall be appointed by the current standing Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations must be made from among members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE IX

Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have power:

(a) To adopt and publish rules and regulations governing the use of the Common Area and Facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) To exercise for the A all powers, duties and authority vested in or delegated to this Association, not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(c) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(d) To employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

(e) To elect the Officers of the Association.

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

(a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting, when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

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

(c) As more fully provided herein and in the Declaration;

1) to fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of annual assessment period, as hereinafter provided in Article XII, and

2) to send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(d) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board the issuance of these certificates. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid;

(e) To procure and maintain adequate liability insurance, and to procure adequate hazard insurance on property owned by the Association;

(f) To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) To cause the Common Area to be maintained.

ARTICLE X

Committees

Section 1. The Association shall appoint a representative to the Architectural Control Committee as provided in the Declaration and a Nominating Committee as provided in these By-

Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes, such as:

1. A Social Committee which shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines;
2. A Property Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Properties, and shall perform such other functions as the Board, in its discretion, determines;
3. A Communication Committee which shall inform the members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the Association; and
4. An Audit Committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting as provided in Article XI, Section 1. The Treasurer shall be an ex officio Member of the Committee.
5. A Zoning Committee which shall advise the Board of Directors on all matters pertaining to land use zoning, of potential interest to the Association, and shall perform such other functions as the Board, in its discretion, determines.

Section 2. It shall be the duty of each committee to receive complaints or suggestions from members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

Section 3. Any Committee Meetings shall be subject to the same rules as meetings of the Board of Directors.

ARTICLE XI

Officers and their Duties

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

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.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or shall otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. 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 resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in/the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that directions, orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice President

(b) 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 duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

Section 9. Indemnification. Pursuant to Article IX of the Virginia Non-Stock Corporation Act, as amended, the Association may, by majority vote of its members, indemnify any officer against liability, and/or pay for or reimburse the reasonable expenses incurred by any officer, to the same extent as a director.

ARTICLE XII

Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. By the Declaration each member is deemed to covenant and agree to pay to the Association annual assessments or charges. The annual assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land, with a memorandum of same recorded in the office of the County Clerk, and shall be a continuing lien upon the property until paid. Each such assessment, together with such 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 and shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Properties, for the improvement and maintenance of the Properties and to pay the reasonable administrative expenses of the Association.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment shall be Fifty (\$50.00) Dollars per Lot for lots other than those owned by Declarant and one-third (1/3) of said amount per Lot for lots owned by Declarant which do not have completed and occupied houses thereon.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an owner, the maximum assessment may be increased each year not more than 25% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 25% by a vote of two-thirds (2/3) of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Notice and Quorum for Any Action Authorized Under Section 3. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement, and the required quorum at any such 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 5. Uniform Rate of Assessment. Annual assessments must be fixed at a uniform rate for each lot, as to those lots owned by Declarant which do not have a completed and occupied house thereof as to which all charges shall be one-third (1/3) of the rate for other lots. The Board of Directors may, at its discretion, require the annual assessments to be paid on a monthly or quarterly basis.

Section 6. Date of Commencement of Annual Assessments. Due Dates. The annual assessments provided for herein shall commence to all lots on the first day of the month following the conveyance of any Lot on which there is a completed dwelling. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid. As to any land annexed by the Declarant the charges shall begin on the first day of the month following the conveyance of any lot from the annexed land on which there is a completed dwelling. -

Section 7. Effect of Non-payment of Assessments. Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the highest rate permitted by law. 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. Also, no owner shall be allowed to vote on any matter before the Association until all assessments are paid in full.

Section 8. Subordination of the Lien to Mortgages and Taxes. Any assessments, charges and costs of the maintenance of the common areas shall constitute a pro-rata lien upon the individual subdivision lots, inferior in lien and dignity only to taxes and bonafide duly recorded first deed of trust on each subdivision lot. Sale or transfer of any Lot shall not effect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure of any proceeding in lieu thereof, or the sale of any lot for delinquent taxes 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. No sale or transfer shall relieve such lot from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE XIII

Books and Records

The books and records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words: Church Run Homeowners Association, Inc., a Virginia Corporation.

ARTICLE XV

Parliamentary Authority and Amendments

Section 1. All meetings of the Association shall be governed by Roberts' Rules of Order.

Section 2. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 3. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XVI

Miscellaneous

The fiscal year of the Association shall be determined by the Board of Directors, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the CHURCH RUN HOMEOWNERS ASSOCIATION have hereunto set our hands this ____ day of ____, ____.

(s) _____
(s) _____
(s) _____
(s) _____

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Church Run Homeowners Association, Inc., a Virginia Corporation, and,

THAT the foregoing: By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 23rd day of January, 1989.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 23rd day of January, 1989.

(s) _____

Secretary

