

**BYLAWS OF
BOXWOOD GREEN HOME OWNERS ASSOCIATION, INC.**

THESE BYLAWS OF BOXWOOD GREEN HOMEOWNERS ASSOCIATION, INC. are made this 22 day of May, 2010, by the Board of Directors of Boxwood Green Homeowners Association, Inc. (the "Association").

**ARTICLE I
General Provisions**

Section 1.1 Applicability. These Bylaws provide for the governance of Boxwood Green Subdivision, located in Franklin County, Virginia. It is in the overall duty of this corporation to control and monitor all aspects of this subdivision as it may change from time to time.

Section 1.2 Office. The office of the Home Owners Association and the Board of Directors shall be located at the Subdivision or at such other place as may be designated from time to time by the Board of Directors. The office is located in the residence of the Treasurer and the mailing address is Boxwood Green Home Owners Association, P.O. Box 942, Hardy, VA. 24101. Changes to the office location and mailing address can be found at the Association's website at www.boxwoodgreen.org.

Section 1.3 Definitions. Terms used herein without definition shall have the meanings specified for such terms in the Articles of Incorporation and the Declaration of Covenants, as amended, or as defined herein. The following terms have the following meanings.

- (a) "Development" means the entire tracts known and developed as Boxwood Green.
- (b) "Common Expenses" means expenses incurred on behalf of or assessed against Lot Owners.
- (c) "Majority of Lot Owners" means those Lot Owners owning Lots representing more than fifty percent of the aggregate number of Lots located within Boxwood Green Subdivision present and actually voting in person or by proxy at a duly convened meeting at which a quorum is present. Any specified percentage of the Lot Owners means the Lot Owners owning Lots representing such percentage of the aggregate percentage interests present and actually voting in person or by proxy at such a meeting.
- (d) "Mortgagee" means a Lender holding a first mortgage or first deed of trust ("Mortgage") encumbering a Lot or Unit in the Development.
- (e) "Officer" means any person holding office pursuant to Article IV of these Bylaws.
- (f) "Property or The Property" means any property, real or personal, subject to the processes of the Declaration of Covenants of Boxwood Green.
- (g) "Lot Owner" means a Lot Owner at Boxwood Green Subdivision.
- (h) "The Association" means the incorporated, not for profit association of all the Lot Owners known as Boxwood Green Home Owners Association, Inc.
- (i) "Board of Directors" is the Board of Directors of the Boxwood Green Homeowners Association hereafter known as the Board.

**ARTICLE II
Owners Association**

Section 2.1 Composition. The Association shall consist of all of the Lot Owners within the Boxwood Green Subdivision. The Association shall have the responsibility of maintaining the Common Area (as such term is defined in the Virginia Property Owners Association Act), adopting rules and regulations pertaining to the use and enjoyment of the Common Area, administering the Development, establishing the means and methods of collecting assessments and charges, arranging for the management of the Development and performing all of the other acts that may be required or permitted to be performed by the Association and by the laws of the State of Virginia. The forgoing responsibilities shall be performed by the Board or Managing Agent as more particularly set forth in Article III of the Bylaws.

Section 2.2 Annual Meeting. The annual meeting of the Association shall be held on such dates as may be established by the Board. At such meetings, members of the Board shall be elected by ballot of the Lot Owners.

If any meeting of the Association cannot be held because a quorum is not present, a majority of the Lot owners who are present at such meeting may recess the meeting and reconvene it to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after recess, notice of the time and place for reconvening the meeting shall be given to the Lot Owners in the manner prescribed for regular meetings.

Section 2.3 Place of Meetings. Meetings of the Association shall be held at a place determined by the Board and advertised to the Lot Owners.

Section 2.4. Special Meetings. The President may call a special meeting of the Association at any time that he deems necessary. The notice of any special meeting shall state the time, place and purpose thereof and shall be mailed first class mail, postage prepaid, seven days in advance of such special meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 2.5 Notice of Meetings. The Secretary or other officer shall give to each Lot Owner a notice of each annual or regularly scheduled meeting of the Lot Owners at least ten but not more than thirty days, and of each special meeting of the Lot Owners at least seven but not more than thirty days, prior to such meeting, stating the time, place, and purpose thereof.

Section 2.6 Voting.

- (a) Voting at all meetings of the Association shall be on a one vote per Lot basis.
- (b) No Lot Owner may vote at any meeting of the Association or be elected to or serve on the Board if payment of assessment on his Lot is delinquent more than thirty days and the amount necessary to bring his account current has not been paid at the time of the meeting or election. There shall be no cumulative voting.

Section 2.7 Proxies. A Vote may be cast in person or by proxy provided such proxy is filed with the Secretary on or before the appointed time of the meeting. Proxies shall be duly executed in writing and shall be valid only for the particular meeting designated therein.

Section 2.8 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of twenty percent or more of the Lot Owners shall be constituted a quorum at all meetings of the Association.

Section 2.9 Conduct of Meetings. The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring thereat. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, Bylaws, or Virginia Property Owners Association Act. All votes shall be tallied by tellers appointed by the President or other officer presiding over the meeting.

ARTICLE III Board of Directors

Section 3.1 Powers and Duties. The Board shall have all the powers and duties for the administration of the affairs of the Association and may do all such acts and things as permitted by law or the Bylaws.

- (a) Prepare and adopt an annual budget, in which there shall be expressed the assessments of each Lot Owner for the Common Expenses.

- (b) Make and collect assessments against Lot Owners to defray the costs and expenses of the Development.
- (c) Provide for the operation, care, upkeep and maintenance of all the Property and services of the Development.
- (d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair, and replacement of the Common Areas and for providing services for the Property.
- (e) Make and amend the rules and regulations.
- (f) Do such other things and acts not inconsistent with the law, the Declaration, or these Bylaws which the Board may be authorized to do by a resolution of the Association.

Section 3.2 Managing Agent. The Board may employ for the Development a “Managing Agent” at a compensation to be established by the Board, provided that such compensation shall be provided for in the annual budget. If authorized, the Management Agent shall sign checks in accordance with Board policy.

Section 3.3 Members.

- (a) Number of Directors. The number of directors in the Association shall be five (5).
- (b) Election and Term of Directors. Members of the Board shall be elected at the Annual Meeting of the Association by plurality. Each director shall serve a term of three (3) years. The terms of the directors shall be staggered so that no more than three (2) full terms are elected at any one Annual Meeting. Except for resignations or removal, the members of the Board shall hold office until their respective successor shall have been elected by the Association.

Section 3.4 Vacancies. Vacancies in the Board caused by any reason shall be filled by the majority vote by the remaining members of the Board. The director elected to fill a vacancy will fill the post until that board position’s term expires.

Section 3.5 Compensation. No director shall receive any compensation from the Association for acting as such.

Section 3.6 Meetings of the Board of Directors.

- (a) Organizational Meetings. The first meeting of the Board following each Annual Meeting of the membership shall be held within thirty (30) days thereafter at such time and place fixed by the Board. At this meeting, the Board will choose its officers.
- (b) Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by the majority of directors, but at least four (4) such meetings shall be held during each fiscal year with at least one per quarter. Notice of the time and place of the meeting shall be communicated to directors not less than thirty (30) days prior to the meeting; provided, however, notice of the meeting need not be given to any director who has signed a waiver of notice or a written consent to holding the meeting.
- (c) Special meetings. Special meetings of the Board shall be held when called by the President or three (3) directors by written notice. The notice shall specify the time and place of the meeting and the nature of the business to be considered. Notice to each director shall be provided by either (a) personal delivery; (b) E-mail; (c) first class postage; or (d) telephone to the director’s home or place of business. If the latter, notice can be given to the director personally or to a person who would reasonably be expected to promptly notify the director. First class mail notices must be postmarked at least four (4) days prior to the meeting. All others must be delivered at least 72 hours prior to the meeting.
- (d) Waiver of Notice. Actions taken at a properly called Special Meeting shall be as valid as those taken at a regular meeting provided a quorum is present and those present sign either a written waiver of notice or consent to hold the meeting, or approve the minutes. Notice of the meeting shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

- (e) Quorum of Board of Directors. A majority of directors constitutes a quorum to conduct business at Board Meetings. A majority vote of directors present at a Board Meeting constitutes the decision of the Board. If a quorum is initially present and some directors withdraw from the meeting, actions approved are valid provided the actions are approved by a majority of the required quorum for that meeting. When a quorum of directors is not present at a Board Meeting, a majority of the directors present can recess the meeting and reconvene it to a time not less than one (1) or more than thirty (30) days from the date the original meeting was called. If a quorum is present at the reconvened meeting, any business which might have been transacted at the original meeting may be transacted without further notice.
- (f) Conduct of Meetings. The President, or in his absence the Vice President, shall preside over all meetings of the Board, and the Secretary (or his designee as determined by the Board) shall keep a minute book of the meetings of the Board, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.
- (g) Open Meetings. All meetings of the Board shall be opened to all Lot Owners. Subject to reasonable rules adopted by the Board, the Lot Owners shall have a period of time designated by the Board, during a meeting in which to have the opportunity to comment on any matter relating to the Association. During a meeting at which the agenda is limited to specific topics or a special meeting, the Board may limit the comments of the Lot Owners to the topics listed on the meeting agenda. Otherwise, a Lot Owner other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his behalf by a director. In such case, the President may limit the time any Lot Owner may speak. Notwithstanding the above, the President may recess any meeting of the Board and reconvene in executive session, excluding Lot Owners, but only in conformance with the procedures specified in Section 55.510.1 (C) of the Virginia Property Owners Association Act.
- (h) Action without a Meeting. Any required or permitted action of the Board authorized by these Bylaws may be taken without a meeting provided the action is approved by all the directors and documented via E-mail or when verbal by notes taken by the director requesting the action. Copies of the E-mails or notes will be provided to the Secretary at the next scheduled Board meeting and the Board shall affirm the action taken.
- (i) Common or Interested Directors. The Board of Directors shall exercise its powers and perform its duties in good faith and with a view to the interest of the Association. No director or committee member shall participate in any Board meeting discussion or vote for any contract, transaction, or issue involving the Association in which they or any corporation, firm, or other association in which they have an affiliation has a pecuniary interest.

Section 3.7 Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer, director, and committee member (Official) against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon any Official in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the Board) to which the Official may be made a party by reason of being or having been an Official regardless of whether he is an Official at the time such expenses were incurred. Officials shall not be liable to the Lot Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. Officials shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such Officials are liable as Lot Owners) and the Association shall indemnify and forever hold each Official free and harmless against all liability to others on account of such contract or commitment. All right to indemnification provided herein shall not be exclusive of any other rights to which current and former Officials may be entitled.

ARTICLE IV Officers

Section 4.1 Designation. The Board may appoint such other officers as in its judgment may be necessary. The President, Treasurer, and Secretary shall be Lot Owners in the Development and members of the Board.

Section 4.2 President. The President shall be the chief executive officer of the Association; preside at all meetings of the Association and of the Board; have general and active management of the business of the Association subject to the control of the Board; see that all orders and resolutions of the Board are carried in effect; and appoint committees from among the Lot Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. The President shall sign checks in accordance with Board policy.

Section 4.3 Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board; have charge of such books and papers as the Board may direct; give or cause to be given all notices required to be given by the Association; maintain a register setting forth the place to which all notices to Lot Owners and Mortgagees hereunder shall be delivered; and, in general perform all duties incident to the office of secretary. The Secretary shall sign checks in accordance with Board policy.

Section 4.4 Treasurer. The Treasurer will be the Chief Financial Officer for the Association and will be responsible for ensuring: all financial transactions are properly recorded in a timely manner; the records of the Association are maintained in accordance with Generally Accepted Accounting Principles (GAAP) standards; all necessary monthly and annual reports required by the Board are prepared; all investments are made in accordance with Board policy and authorization; an annual budget is prepared for Board approval; and all other records and documents are properly filed and/or secured. The Treasurer shall sign checks in accordance with Board policy.

Section 4.5 Removal of Officers. Upon the affirmative vote of the majority of all members of the Board, any officer may be removed, either with or without cause, and a successor may be elected at any regular meeting of the Board or at any special meeting of the Board of Directors called for such purpose.

ARTICLE V Operation of Property

Section 5.1 Determining Assessments for Lot Owners

- (a) Fiscal Year. The fiscal year of the Association shall be January 1 through December 31.
- (b) Preparation and Approval of the Budget. The Board shall adopt an annual budget that includes annual assessments; special assessments, if necessary; and expenditures necessary to operate the Association and its utilities and to maintain the value of its assets including the Common Areas through the establishment of reserves.
- (c) Reserves. The Board shall maintain reserves adequate to repair, restore, or replace the Association's assets in accordance with Section 55-514.1 of the Code of Virginia and in accordance with funding methods approved by the State of Virginia and Generally Accepted Accounting Procedures (GAAP). The Board also may levy a special assessment in accordance with The Code of Virginia, Section 55.514.
- (d) Effect of Failure to Prepare or Adopt a Budget. The failure or delay of the Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release of Lot Owners' obligations to pay their annual assessments. In the absence of an annual budget, Lot Owners shall continue to pay their periodic assessments at the rate established during the previous fiscal year.

Section 5.2 Payment of Assessments. Each Lot owner shall pay assessments determined by the Board pursuant to Section 5.1. Lot owners will not exempt themselves from the liability to pay assessments by waiving their use of services provided by the HOA or use of the Common Areas or by abandonment of

their Lot. No Lot Owner shall be personally liable for the payment of any part of the assessments made against his Lot subsequent to the date of recordation of a conveyance by him in fee of such Lot. The purchaser of the Lot shall be jointly and severally liable with the selling Lot Owner for all unpaid assessments against the latter.

Section 5.3 Collection of Assessments. Lot Owners are responsible for the payment of all assessments authorized by the Board. Additionally, Lot Owners are responsible for payment of late fees, interest, collection charges, and attorney fees, if applicable, in accordance with collection policies established by the Board.

Section 5.4 Maintenance Repair, Replacement of Common Areas, and Other Common Expenses.

- (a) By the Board of Directors. The Board of Directors shall be responsible for the maintenance, repair, and replacement of all common areas owned by the Association using Association funds.
- (b) By the Lot Owner. Each Lot Owner shall keep his Lot and its equipment, appliances and appurtenances in good order, and in a clean and sanitary condition and repair. In addition, each Lot Owner shall be responsible for all damage to any other Lots or to the Common Areas resulting from his negligence or failure to make any of the repairs required by this Section. Each Lot Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with other Lot Owners.

ARTICLE VI Compliance and Default

Section 6.1 Relief. A default by a Lot Owner shall entitle the Association, acting through its Board or through the Managing Agent, to the following relief:

- (a) Additional Liability. Each Lot Owner shall be liable for the expense of all maintenance, repair, or replacement rendered necessary by his act, neglect, or carelessness or the act, neglect, or carelessness of any member of his family or his employees, agents, guests or licensees.
- (b) Cost of Attorney's Fees. In any proceedings arising out of any alleged default by a Lot Owner, the prevailing party shall be entitled to recover the costs of such proceeding and such reasonable Attorney's fees as may be determined by the court.
- (c) No Waiver of Rights. The failure of the Association, the Board or of a Lot Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration of Covenants shall not constitute a waiver of the right of the Association, the Board or the Lot Owners to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Board or any Lot Owner pursuant to any term, provision, covenant or condition shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted at law or in equity.
- (d) Interest. In the event of default of any Lot Owner in payment of any sum assessed against his Lot which continues for a period in excess of fifteen days, interest in accordance with the Association's Collection Policy, may be assessed in the discretion of the Board on the principle amount unpaid from the date due until paid.
- (e) Abating and Enjoining Violations by Lot Owners. The violation of any of the Rules and Regulations adopted by the Board, the breach of any Bylaw contained herein or the breach of any provision of the Declaration of Covenants shall give the Board the right, in addition to any other rights set forth in these Bylaws; and subject to the notice and hearing provisions of Section 55-513 of the Virginia Property Owners Association Act; (i) to enter upon the Lot which, or as to which, such violation or breach exists and summarily abate and remove, at the expense of the defaulting Lot Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

- (f) Legal Proceedings. Failure to comply with any of the terms of the Declaration of Covenants, these Bylaws and the rules and regulations of the Association shall be grounds for relief, and any other relief afforded by a court of competent jurisdiction.
- (g) Acceleration. In any case where an assessment against a Lot Owner is payable in installments, upon a default by such Lot owner in the timely payment of any two (2) consecutive installments, the maturity of the remaining total unpaid installments of such assessments may be accelerated, at the option of the Board, 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 Lot Owner by the Board.

Section 6.2 Liens for Assessment.

- (a) Lien. The total annual assessment of each Lot Owner or any special assessment, or any other sum duly levied (including without limitation interest, late charges, etc.), made pursuant to these Bylaws is hereby declared to be a lien levied against the Lot of such Lot Owner and the Declaration of Covenants, which lien shall be effective (seven days) after delivery to the Lot Owner of the notice of such special assessment or levy.
- (b) Enforcement. The lien for assessments may be enforced and foreclosed in any manner permitted by the laws of the Commonwealth of Virginia.
- (c) Remedies Cumulative. A suit to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien securing the same, and a foreclosure may be maintained without waiving any right to recover a money judgment, and notwithstanding the simultaneous pendency of any suit to recover a money judgment.

**ARTICLE VII
Amendments to Bylaws**

Section 7.1 Amendments. Amendments to these Bylaws requires the approval of eligible members owning two-thirds (2/3) of the Lots within the Association. All amendments to the Bylaws shall be recorded in the minute book of the Association by the Secretary.

**ARTICLE VIII
Miscellaneous**

Section 8.1 Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given when delivered personally or mailed by United States mail, postage prepaid, or if notification is of a default or lien, mailed by registered or certified United States mail, return receipt requested, postage prepaid (i) if to a Lot Owner, at the address which the Lot Owners shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Lot of such Lot Owner, or (ii) if to the Association, the Board or Managing Agent, at the principle office of the Managing Agent or at such other address as shall be designated by notice in writing to the Lot Owners pursuant to this Section. If a Lot is owned by more than one person, each such person who so designates an address in writing to the Secretary shall be entitled to receive notices hereunder.

Section 8.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

Section 8.3 Gender. The use of the masculine gender in these Bylaws shall be deemed to include feminine and neither genders and the use of the singular shall be deemed to include plural, and vice versa, whenever the context so requires.

Section 8.4 Construction. These Bylaws are intended to comply with all of the applicable provisions of the laws of the State of Virginia and of the Franklin County Ordinances and shall be so interpreted and applied.

IN WITNESS WHEREOF, the forgoing Bylaws have been adopted as the Bylaws of Boxwood Green Homeowners Association, Inc. this 22 day of May 2010.

BOXWOOD GREEN HOMEOWNERS
ASSOCIATION, INC.
BY

Richard Heck
President

COUNTY OF FRANKLIN
COMMONWEALTH OF VIRGINIA } To wit:

I hereby certify that _____ appeared before me and executed his signature before me, a notary.

Notary Public

My commission expires: _____