

The Moorings Homeowners Association Bylaws

Disclaimer: This is an abridged version created as a reference document from the larger official document that has been filed with the circuit court. For legal purposes the official document should be used.

Article 1 – Identity

These are Bylaws of The Moorings Association, (the “Association”), which has been organized for the purpose of operating and managing The Moorings at Clarksville, a Condominium (the “Condominium”) established in accordance with the laws of the Commonwealth of Virginia upon property in the County of Mecklenburg, Virginia.

Section A – Provision of Declaration and Articles of Incorporation to Control

The Articles of Incorporation and Declaration control in the event of a conflict.

Section B – Defined Terms and Coverage

Refer to Article 1 of the Declaration.

Section C – Office

To be defined by the Board of Directors. Currently, MHOA, #1 The Moorings, Clarksville, Virginia, 23927.

Article 2 – Unit Owners Association

Section A – Qualification of Members

For purposes having to do with the administration of the Condominium, the Association will act as an agent for the owners of all the units of the Condominium as a group.

Section B – Powers of the Association

The Association has all the powers necessary to implement and effectuate the rules and objectives set forth in the Condominium Instruments, including without limitation:

- a. the reasonable right of entry to any unit to make repairs and to do other work reasonably necessary for the proper maintenance or operation of the Condominium
- b. the right to grant permits, licenses and easements over the common elements

Section C – Annual Meeting

The annual meeting of the Association will be held on a date selected by the Board of Directors during the month of June. At the annual meeting, the Board of Director shall be elected by ballot of the Unit Owners.

Section D –Place of Meeting

The meeting will be held at a place convenient to the Unit Owners and selected by the Board of Directors.

Section E – Special Meetings

The President of the Association can call a special meeting if so directed by a resolution from the Board or upon a petition signed and presented to the Secretary by Unit Owners of not less than one-third of the unit owners. The notice of any special meeting will state the time, place and purpose of the meeting. No business can be conducted other than that stated in the notice.

Section F –Notice of Meetings

The Secretary will mail to each Unit Owner a notice of each annual meeting at least 21 but not more than 30 days and for special meetings at least 7 but not more than 30 days prior to the meeting. The notice of any meeting at which members of the Board of Directors are to be elected will describe the procedure by which nominations must be filed with the Secretary in advance of the meeting.

Section G – Adjournment of Meetings

If at any meeting a quorum is not present the majority of those present can adjourn the meeting.

Section H – Order of Business

The Order of Business at all meetings of the Association will be as follows:

- (a) Roll Call and Certifying of Proxies
- (b) Proof of notice of meeting
- (c) Reading of minutes of preceding meeting
- (d) Report of the BOD and Officers
- (e) Report of Committees, if any
- (f) Election or appointment of inspectors of election (when so required)
- (g) Election of Directors
- (h) Unfinished business
- (i) New Business

(j) Adjournment

Section I – Title to Units

The Association may acquire, hold and transfer full legal title to one or more Units in its own name.

Section J – Proxies

Votes may be cast in person or by proxy. Proxies will be valid only for a particular meeting and must be filed with the Secretary before the appointed time of the meeting. Proxies will be void if not dated and signed in substantially the same form as the sample proxy attached to these bylaws as Exhibit A.

Section K – Voting

Voting at all meetings of the Association will be on an equal basis with the owner of each unit entitled to one vote. Any unit owner past due in Association Dues is not entitled to vote.

Section L – Quorum

Except as otherwise provided in these bylaws, the presence in person or by proxy of Unit Owners having 33% or more of the total votes of the Association shall constitute a quorum at all meetings of the Association.

Section M – Conduct of Meetings

The President will preside over all meetings of the Association and the Secretary will keep the minutes of the meeting and record in a minute book all resolutions adopted and all transactions occurring at the meeting. 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 Condominium Instruments or the Condominium Act. Inspectors appointed by the president or other officer presiding over the meeting will tally all votes.

Article 3 – Board of Directors

Section A – Number and Qualification

The Board of Directors will govern the affairs of the Association. The Board of Directors will be composed of 5 persons. All directors will be Unit Owners (or spouses of Unit Owners).

Section B – Powers and Duties

The Board of Directors will have all of the powers and duties necessary for the administration of the affairs of the Association. The Board of Directors will have the power from time to time to adopt any rules and regulations deemed necessary for the benefit and enjoyment of the Condominium; provided, however, that such rules are not in conflict with the Condominium Act or the Condominium Instruments. The BOD can delegate authority to a Managing Agent to act on behalf of the Board. The Board of Directors will, on behalf of the Association:

- (a) Prepare an annual budget, which will include an assessment of each Unit Owner for the Common Expenses.
- (b) Make assessments against Unit Owners to defray the costs and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners and establish the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the BOD the annual assessment against each Unit Owner for their proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month.
- (c) Provide for the operation, care, upkeep and maintenance of all of the Property and services of the Condominium.
- (d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements and provide services for the Condominium and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment are part of the property owned by the Condominium.
- (e) Collect the assessments against the Unit Owners, deposit the proceeds in a bank designated by the BOD and use the proceeds to carry out the administration of the Condominium.
- (f) To pay all taxes, charges and assessments which are or may become liens against any part of the Condominium, other than Condominium Units and the appurtenances thereto, and to assess the same against the members and their respective Condominium Units subject to such liens.
- (g) Make or contract repairs, additions and improvements to or alterations of the Condominium and repairs to and restoration of the Condominium, in accordance with these bylaws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.
- (h) Enforce by legal means the provisions of the Declaration, the Articles of Incorporation, these Bylaws and the Rules and Regulations and act on behalf of the Unit Owners to all matters arising out of any eminent domain proceedings.
- (i) Obtain and carry insurance against casualties and liabilities as provided in these Bylaws, pay the premiums and adjust and settle any claims.

- (j) Pay the cost of all authorized services rendered to the Association and not billed to the Unit Owners of individual Units.
- (k) Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Property and the administration of the Condominium, specifying the expenses of maintenance and repair of the Common Elements and any other expenses incurred. The books will be available for examination by the Unit Owners, or their duly authorized agents or attorneys, during general business hours on working days at times and in the manner set by the BOD for the general knowledge of the Unit Owners. All books will be kept in accordance with accepted accounting practices, and will be audited at least once a year by an independent accountant retained by the BOD who will not be a resident or a Unit Owner. The cost of the audit will be a common expense.
- (l) Notify all Mortgagees of all or any Units of the Condominium of any default by any Unit Owner subject to such mortgage, in the event such default continues for a period exceeding thirty days.
- (m) Acquire, lease, manage, hold and dispose of Units and mortgage the same if such expenditures are included in the budget adopted by the Association.
- (n) Furnish the statement required by Va. Code Ann. 55-79.97 of the Condominium Act, within ten days after the receipt of a written request from any Unit Owner in the form set forth on Exhibit B attached to these Bylaws and designated "Certificate for Resale".
- (o) Borrow money on behalf of the Condominium when required in connection with any one instance relating to the operation, care, upkeep and maintenance of the Common Elements; provided, however, that the consent of a majority of the Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, will be required to borrow any sum in excess of \$5,000.
- (p) In its sole discretion, designate from time to time certain Common Elements as "Reserved Common Elements" and impose such restrictions and conditions on the use as the Board of Directors deems appropriate.
- (q) Do such other things and acts not inconsistent with the Condominium Act or the Condominium Instruments with the BOD may be authorized to do by its own resolution.

Section C – Election and Term of Office

- (a) One vote will be taken on the entire slate of nominees and the nominees receiving the highest plurality of votes for the numbers of open Director positions will be elected. One Director will serve a three year term, two Directors will serve a two year term and two Directors will serve a one year term. Directors will hold office until their respective successors have been elected by the Unit Owners, and each successor Director shall be elected to the term of office of his predecessor.

- (b) Persons qualified to be members of the Board of Directors may be nominated for election only as follows:
1. Any Unit Owner may submit to the Secretary a nominating petition signed by Unit Owners owning at least two units, a statement that the person is willing to serve on the BOD and a biographical sketch of the nominee. Nominating petitions must be filed with the Secretary on or before the date for such filing set forth in the notice of the meeting; or
 2. Nominations may be submitted from the floor at the meeting at which the election is held for each vacancy on the Board of Directors for which not more than one person has been nominated by petition.

Section D – Removal or Resignation of Members of the Board of Directors

At any regular or special meeting duly called any one of the BOD may be removed with or without cause by a majority of the Unit Owners and a successor may then be elected to fill the vacancy. Any Director whose removal has been proposed by the Unit Owners will be given at least seven days' notice of the time, place and purpose of the meeting and will be given an opportunity to be heard at the meeting. A member of the BOD may resign at any time and will be deemed to have resigned upon the disposition of his unit.

Section E – Vacancies

Vacancies in the BOD caused by any reason other than the removal of a Director by a vote of the Unit Owners Association will be filled by a vote of a majority of the remaining Directors at a special meeting of the BOD held for such purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum. Each person so elected will be a member of the BOD for the remainder of the term of the member being replaced.

Section F – Organizational Meeting

No longer applicable.

Section G – Regular Meetings

Regular meetings of the BOD will be held at such time and place as determined by a majority of the members of the Board, but such meetings will be held at least once every three months during each fiscal year. Notice of regular meetings of the BOD will be given to each member of the Board by mail or email at least seven days prior to the day named for such meeting. Unit Owners will also be informed of meeting dates and be able to attend meetings.

Section H – Special Meetings

No longer applicable.

Section I – Waiver of Notice

No longer applicable.

Section J – Quorum of Board of Directors

At all meetings of the BOD a majority of the Board will constitute a quorum for the transaction of business, and the votes of a majority of the Board present at a meeting at which a quorum is present will constitute the decision of the BOD. If at any meeting of the BOD there shall be less than a quorum present, the meeting may be adjourned to a subsequent time.

Section K – Fidelity Bonds

No longer applicable.

Section L – Compensation

Directors' compensation, if any, will be determined by the members of the Association.

Section M – Conduct of Meetings

The President who will be a Director will preside over all meetings of the BOD and the Secretary, who may but does not have to be a Director, will keep a minute book for the BOD, recording all resolutions adopted by the BOD and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order will govern the conduct of the meetings of the BOD when not in conflict with the Condominium Instruments or the Condominium Act.

Section N – Action Without Meeting

Any action by the BOD required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the BOD will individually or collectively consent in writing to such action. Any such written consent will be filed with the minutes of the proceedings of the BOD.

Section O – Liability of the Board of Directors, Officers, Unit Owners and Association

- (a) The Officers and members of the BOD of the Association will not be liable to the Association for any mistake of judgment caused by negligence or otherwise, except for their own individual willful misconduct or bad faith. The Association will indemnify and hold harmless each member of the Association (including

- Officers and Board of Directors' members that are not Unit Owners) from and against all contractual liability to other arising out of contracts made by the Officers or the BOD on behalf of the Association, unless any such contract will have been made in bad faith or contrary to the provisions of the Condominium Act, the Declaration, Articles of Incorporation, or these Bylaws, in which case these persons dealing in bad faith or dealing knowingly in a manner contrary to the aforesaid provisions will not be indemnified. Other than has previously been stated in this section, Officers and members of the BOD will have no personal liability with respect to any contract made by them on behalf of the Association and will be considered as only acting as agents for the Association. The liability, if any, of any Unit Owner arising out of any contract made by the Officers or BOD or out of the aforesaid indemnity in favor of the members of the BOD or Officers, or for damages as a result of injuries arising in connection with the Common Elements solely by virtue of his ownership of a percentage interest therein or for liabilities incurred by the Association, will be limited to the total liability multiplied by the percentage interest. Every agreement made by the Officers, the BOD or the Managing Agent on behalf of the Association will, if obtainable, provide that the Officers, the BOD or the Managing Agent are acting only as agents of the Association and will have no personal liability.
- (b) The Association will not be liable for any failure of water supply or other services to be obtained by the Association or paid for as a Common Expense, or for injury or damage to any person or property caused by the elements or by the Unit Owner of any Condominium Unit, or any other person, or resulting from electricity or water, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment. The Association will not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any assessments, as elsewhere provided herein, will be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Elements or from any action taken by the Association to comply with any Law, ordinance or with the order or directive of any municipal or other governmental authority.

Section P – Common or Interested Members

Each Officer of the Association will exercise powers and duties in good faith and with a view to the interests of the Condominium. No contract or other transaction between the Association and any of its members, or between the Association and any corporation, firm or association in which any of the members of the Association are members or officers or otherwise interested, is either void or voidable because any such member is present at the meeting of the BOD or any committee which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

- (a) The fact of the common membership or interest is disclosed or known to the majority of the BOD or noted in the minutes, and the BOD authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or
- (b) The fact of the common membership or interest is disclosed or known to at least a majority of the Unit Owners, and the Unit Owners approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or
- (c) The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

Any common or interested members may be counted in determining the presence of a quorum of any meeting of the BOD or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote at any such meeting to authorize or disallow any contract or transaction with like force and effect as if such member were not such member or Officer of the Association or not so interested.

Section Q – Execution of Documents

All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of Two Thousand Dollars will be executed by any two persons designed by the BOD. All such instruments for expenditures or obligations of Two Thousand Dollars or less may be executed by any one person designated by the BOD.

Section R – Managing Agent

The BOD may employ for the Condominium a “Managing Agent” at compensation to be established by it.

- (a) **Requirements** – The Managing Agent will be a bona fide business enterprise, which is experienced in managing residential properties. Such firms will have a minimum of two years experience in residential real estate management and employee persons possessing a high level of competence in the technical skills necessary for proper management of the Condominium. The Managing Agent must be able to advise the BOD regarding administrative operations of the Condominium and may with the consent of the BOED employ personnel experts in the areas of condominium insurance, accounting and regulations.
- (b) **Duties** – The Managing Agent will perform such duties and services as the BOD may delegate.
- (c) **Standards** – The BOD will impose appropriate standards of performance upon the Managing Agent.
- (d) **Limitations** – No longer applicable.

Section S – Covenants Committee

The BOD may establish a Covenants Committee, consisting of three members appointed by the BOD, each to serve for a one year term, in order to assure that the Condominium will always be maintained in a manner:

1. Providing for visual harmony and soundness of repair
2. Avoiding activities deleterious to the esthetic or property values
3. Furthering the comfort of the Unit Owners, their guests and tenants
4. Promoting the general welfare of the community

(a) **Powers** – The Covenants Committee will regulate the external design, appearance, use and maintenance of the Common Elements. The Covenants Committee will have the power to issue cease and desist requests to a Unit Owner, guest, invitees or lessees whose actions are inconsistent with the Bylaws, rules and regulations and Condominium Act. Any ruling by the Committee may be appealed to the BOD.

(b) **Authority** – The Committee may have additional duties and powers as provided by the BOD.

Article 4 - Officers

Section A – Number of Officers

The officers of the Association will be a President, who will be a Director, a Vice-President, a Treasurer and a Secretary, all of whom will be elected annually by the BOD and who may be removed by a vote of the Directors at any meeting with or without cause. Any person can hold two offices except the President will not be Vice-President, Secretary or Assistant Secretary. The BOD may elect such other officers and designate their powers and duties as the Board may find to be required to manage the affairs of the Association.

Section B – President

The President will be the chief executive officer of the Association.

Section C – Vice President

The VP will, in the absence or disability of the President, exercise the powers and perform the duties of the President. The VP will also generally assist the President and exercise such other duties as prescribed by the Directors.

Section D – Secretary

The Secretary will keep the minutes of all proceedings of the Directors and the members. Attend to the giving and serving of all notices to the Directors and members. Keep the

records of the Association, except those of the Treasurer perform other duties as required by the Directors or the President.

Section E – Treasurer

The Treasurer will have custody of all of the property of the Association, including funds, securities and evidence of indebtedness. Keep or supervise the keeping of assessment rolls and accounts of the members, the books of the association with good accounting practices and perform other duties incident to the office of the Treasurer.

Section F – Compensation

The Directors will fix the compensation of all officers, if any, and employees of the Association.

Section G – Vacancies

Vacancies in any office will be filled by a vote of the majority of the BOD at a special meeting held promptly after the occurrence of the vacancy. Each person elected will serve the remainder of the term of the officer being replaced.

Article 5 – Operation of the Condominium

Section A – Determination of Common Expenses and Assessments Against Unit Owners

- (a) **Fiscal Year** – The fiscal year of the Association is the calendar year unless otherwise determined by the BOD.
- (b) **Preparation and Approval of Budget** – Thirty days before the end of the fiscal year the BOD will adopt a budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, repair and replace, and the cost of wages, material, insurance premiums, services, supplies and other expenses. The budget will also include such reasonable amounts the BOD considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacement.

At least seven days before the Associations Annual Meeting, the BOD will provide each Unit Owner a copy of the budget which sets forth the amount of the Common Expenses and any special assessments payable by each Unit Owner.

- (c) **Assessment and Payment of Common Expenses** – On or before the first day of each fiscal year, and the first day of each of the succeeding eleven months in each fiscal year, each Unit Owner will be obligated to pay one-twelfth of the assessment. Within ninety days after the end of each fiscal year the BOD will

- supply each Unit Owner with an itemized accounting of the Common Expenses. Any net shortage will be assessed promptly against the Unit Owner and will be payable in the next monthly assessment or in not more than the next six monthly installments.
- (d) **Reserves** – The Association through the BOD will build up and maintain reasonable reserves for working capital, operation, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget will be first charged against reserves. If the reserves are inadequate for any reason, the BOD may at any time levy a further assessment. Such additional assessment may be payable in lump sum or in installments.
 - (e) No longer applicable
 - (f) **Effect of Failure to Prepare or Adopt Budget** – The failure or delay of the BOD to prepare or adopt a budget does not constitute a waiver or release on the Unit Owner to pay the allocable share of the assessment. In the absence of a budget the Unit Owner should continue to pay the monthly assessment until a new budget is received.
 - (g) **Accounts** – All sums collected can be commingled.
 - (h) No longer applicable.

Section B – Payment of Common Expenses

- (a) No Unit Owner is exempt from liability for their contribution toward Common Expenses. Prior to any conveyance all liens, unpaid charges and assessments will be paid in full. The purchaser of a Unit will be jointly and severally liable with the selling Unit Owner for all unpaid assessments up to the time of recordation, without prejudice to the purchaser's right to recover from the seller. In accordance with Virginia Code any purchaser will be entitled to a statement setting forth, among other things, the amount of unpaid assessments against the seller within five days of a written request to the BOD.
- (b) When an owner ceases to be a member of the Association, the Association is not required to account to that owner for their share of funds or assets.

Section C – Collection of Assessments

The BOD will take prompt action to collect assessments due from any owner that remain unpaid for a period of thirty days from the due date. Any assessment not paid within five days will accrue a late charge in the amount of \$10.00 or such amount as may be established by the BOD.

Section D – Statement of Common Expenses

The BOD will promptly provide any Unit Owner so requesting in writing with a written statement of all unpaid assessments due from such Unit Owner. The BOD can charge a reasonable fee for the preparation.

Section E – Maintenance, Repair, Replacement and Other Common Expenses

- (a) **By the Board of Directors** – The BOD is responsible for all maintenance, repair and replacement of the common elements whether located inside or outside of the Units. The BOD is responsible for structural repairs and replacements of the Limited Common Elements. The BOD is responsible for paving and striping all parking spaces. The cost of all maintenance and repairs will be a Common Expense unless in the opinion of two-thirds of the BOD the expense was due to the negligence of a Unit Owner, in which case the Unit Owner may be charged.
- (b) **By the Unit Owner** – Each Unit Owner is responsible to keep the unit and its equipment, appliances, appurtenances and limited common elements in good order, condition and repair and in a clean and sanitary condition, including keeping them free and clear of all trash, ice, and any accumulation of water, and will do all redecorating and painting which may at any time be necessary to maintain the good appearance and condition of the Unit and limited common elements. Only braided hoses can be used on clothes washers. The Unit Owner is responsible for window screens. The Units Owner will promptly report to the BOD any defect or need for repair which is the responsibility of the Board. It is the intent that all external elements of the buildings shall be maintained as a Common Expense be the Association except that the Association is not obligated to maintain modifications performed by a Unit Owner.
- (c) **Manner of Repair and Replacement** – All repairs and replacements will be of first-class quality and will meet all provisions of the building code. The method of approving payment will be determined by the BOD.

Section F – Additions, Alterations or Improvements by Board of Directors

Whenever in the judgment of the BOD the Common Elements need additions, alterations or improvements amounting to greater than \$10,000 during any twelve month period it requires the approval of a majority of the Unit Owners and will be considered a Common Expense. Notwithstanding the foregoing, if, in the opinion of a majority of the members of the BOD, the additions, alterations or improvements are exclusively for the benefit of a Unit Owner or Unit Owners requesting same, the Owner will be assessed in such proportion as they jointly approve or, if they can not agree, in such proportion as determined by the BOD.

Section G – Additions, Alterations or Improvements by Unit Owners

- (a) No Unit Owner will make any structural addition, alteration or improvement in or to any load bearing wall surrounding or within the unit without first obtaining prior written consent of the BOD. No Unit Owner will paint or alter the exterior of the, including doors and windows, the exterior of the building, or install electrical wiring, television antennae or other objects, machines or AC

- units that may protrude through the walls, roof or windows of the Condominium or in any manner alter the appearance of any exterior portion without prior approval of the BOD. The BOD must respond in forty five (45) days to a written request or the request is deemed approved.
- (b) No longer applicable.

Section H – Restrictions on Use; Rules and Regulations

- (a) Each Unit, the Common Elements and Limited Common Elements will be occupied and used as follows:
1. Units will not be used for other than residential housing and the related common purposes for which the Property was designed.
 2. Nothing will be done or kept in an Unit, the Common Elements or Limited Common Elements, which would increase the rate on insurance for the property without prior written consent of the BOD.
 3. No immoral, improper, offensive or unlawful use will be made of the property.
 4. No Unit Owner will obstruct any of the Common Elements or store anything with the approval of the BOD. The installation of clotheslines and the outside storage of equipment are prohibited.
 5. The Common Elements will be used only for the furnishing of services and facilities to support the use and occupancy of the Units.
 6. No portion of a Unit (other than the entire Unit) will be leased for any period. The lease must be in written form and require the lessee comply with the By laws and rules and regulations and failure to comply constitutes a default under the lease. Further, that the BOD will have power of attorney to cancel the lease if the lessee fails to comply. The Rules and Regulations may provide additional restrictions on the leasing of Units.
 7. Trailers, camper, RVs and boats may be parked only on those portions of the property designated for such by the Rules and Regulations. No junk or derelict vehicles or other vehicles on which current license plates or inspection stickers are not displayed will be kept on any part of the property.
 8. The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind is prohibited, except that the keeping of small, orderly domestic pets (e.g. dogs, cats, or caged birds) not to exceed two (2) per Unit without approval of the BOD.
 9. No signs can be posted without prior written approval of the BOD.
- (b) Each Unit will be occupied and used in compliance with the Rules and Regulations which may be promulgated and amended by the BOD. Copies will be furnished to the Unit Owners. Amendments to the Rules and Regulations will be conspicuously posted prior to the time when they will be effective.

Section I – Right of Access

By acceptance of a deed of conveyance, each Unit Owner thereby grants a right of access to the Unit.

Section J – Utility Charges

The cost of utilities serving the Condominium not individually metered to each Unit will be a Common Expense.

Section K – Parking Spaces

All parking spaces shall be used by the Unit Owners for self-service parking purposes on a “first come, first serve” basis. The cost of maintenance and repair of all parking areas will be a Common Expense.

Section L – Use of Common Elements

No Unit Owner will place or cause or permit to be placed on the Common Elements any furniture, packages or objects of any kind.

Section M – Access to Books and Records

As per Section 55-79.74:1 of the Virginia Condominium Act the Association shall make available to Unit Owners and lenders current copies of the Declaration, Bylaws, Rules and Regulations and the books, records and financial statements of the Association. As used herein “available” means available for inspection, upon request, during normal business hours.

Section N – Condemnation

To the extent permitted the Association will represent the Unit Owners in any condemnation proceedings.

Article 6 - Insurance

Section A – Authority to Purchase

- (a) Except as otherwise provided in Section E of Article 6, the BOD will purchase all insurance policies relating to the Condominium. No one will be liable for failure to obtain any coverage required by Article 6 or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverage or if, in the opinion of the BOD, such coverage is prohibitively expensive.
- (b) Each policy will provide that:
 - i. The insurer waives any right to claim by way of subrogation against anyone.
 - ii. Such policy will not be cancelled due to the conduct of anyone without having

- sixty days to cure the defect.
- iii. Such policy will not be cancelled for at least sixty days prior written notice to the BOD.
- (c) No longer applicable.
- (d) All policies of insurance will be written by reputable companies licensed to do business in Virginia and having a rating by Best's Key rating Guide of B+ or better.

Section B – Physical Damage Insurance

- (a) The BOD shall obtain and maintain a blanket special inclusive, exclusive form policy of fire insurance with extended coverage, vandalism, malicious mischief, windstorm, debris removal, and water damage endorsements, insuring the entire Condominium.
- (b) The BOD will make every reasonable effort to have such policy also provide:
 - i. An endorsement for "agreed amount" or elimination of co-insurance clause
 - ii. That any "no other insurance" clause expressly exclude individual Unit Owners' policies.
- (c) A duplicate original of the policy together with proof of payment of premiums will be delivered by the insurer to any mortgage so requesting at least thirty days in prior to expiration of the then current policy.

Section C – Liability Insurance

The BOD will obtain and maintain comprehensive general liability (including libel, slander, false arrest and invasion of privacy coverage and errors and omissions coverage for officers) and property damage insurance with limits of at least One Million Dollars (\$1,000,000).

Section D – Other Insurance

The BOD will obtain and maintain:

- (a) Adequate fidelity coverage to protect against dishonest acts.
- (b) Workmen's compensation
- (c) Flood insurance in accordance with then applicable regulations
- (d) Other insurance as may be determined by the BOD

Section E – Separate Insurance

Each Unit Owner has the right, at their expense, to obtain insurance for their own Unit.

Section F – Insurance Trustee

- (a) All physical damage policies purchased by the BOD will be for the benefit of the Association.
- (b) The BOD may enter into an Insurance Trust Agreement.

Section G – Board of Directors as Agent

The BOD is hereby appointed the agent for each Unit Owner to settle claims with insurance companies.

Article 7 – Repair and Reconstruction After Fire or Other Casualty

Section A – When Repair and Reconstruction are Required

Except as otherwise provided in section D of this article, in the event of damage as a result of fire or other casualty in excess of \$25,000, the BOD with the cooperation of the Insurance Trustee will arrange and supervise the prompt repair (including damage to the Units but excluding all furniture, fixtures, equipment or other personal property of the Unit Owner). Notwithstanding the foregoing, each Unit Owner has the right to supervise the redecorating of their own unit.

Section B – Procedure for Reconstruction and Repair

- (a) **Cost Estimates** – Immediately after a casualty in excess of \$25,000 the BOD in cooperation with the Insurance Trustee will obtain reliable and detailed estimates of the costs of repairing and restoring the Condominium to a condition as good as that existing before the casualty. The may also include professional fees and premiums for such bonds as the Insurance Trustee determines may be necessary.
- (b) **Assessments** – If the proceeds from insurance are not sufficient to defray the estimated costs of repair then the difference will be a Common Expense.
- (c) **Plans and Specifications** – Any reconstruction will be in accordance with the Declaration and the original plans and specifications of the Condominium.

Section C – Disbursements of Construction Funds

- (a) **Construction Fund and Disbursement** – The proceeds of insurance and sums received from the BOD from assessments constitute a construction fund, which will be disbursed as follows:
 - i. If the estimated costs of reconstruction are less than \$25,000 then the BOD will disburse the funds.
 - ii. If the estimated costs are \$25,000 or more then the funds are to be disbursed by the Insurance Trustee or its rep employed to supervise the work. Proper controls should be exercised to insure the work is completed before funds are disbursed.

- (b) **Surplus** – The first monies disbursed will be the insurance proceeds. Any balance in the Construction fund will be returned to the Unit Owners in equal shares.
- (c) **Common Elements** – When the damage is to both Common Elements and Units, the insurance proceeds will be first applied to the cost of repairing the Common Elements.
- (d) **When Construction is Not Required** – In the event that two-thirds (2/3) or more of the Condominium is rendered untenable and the Unit Owners to which at least eighty percent (80%) of the votes at a Special Meeting (called 30 days after casualty) not to repair and the insurance policy does not require it and the mortgagees agree then the proceeds are distributed.

Article 8 – Mortgagees

No longer applicable.

Article 9 – Compliance and Default

Section A – Relief

Each Unit Owner will be governed by, and will comply with, all of the terms of the Declaration, Articles of Incorporation, Bylaws, and Rules and Regulations and the Condominium Act as any of the same may be amended from time to time. In addition to the remedies provided in Virginia Code Ann. 55-79.53, a default by a Unit Owner will entitle the Association, acting through its BOD or Managing Agent, to the relief set forth in the following paragraphs:

- (a) **Additional Liability** – Each Unit Owner is liable for the expense of all maintenance, repair or replacement rendered necessary by their conscious act, neglect or carelessness of any member of their family or employees, tenants, agents, licensees, guests or invitees, but only to the extent that the expense is not covered by the proceeds of insurance carried by the BOD.
- (b) **Charges, Costs and Attorney's Fees** – The BOD has the power to assess charges against any Unit Owner for any violation of the Condominium Instruments or of the Rules and Regulations of the Association for which such Unit Owner or their family members, guests, tenants or other invitees are responsible. Before charges are assessed the Unit Owner will be given an opportunity to be heard and to be represented by counsel before the BOD. Notice of the hearing, at least fourteen (14) days in advance will be hand delivered or mailed registered, return receipt requested. The amount of the charges will not exceed \$50 for a single offense or \$10 per diem for any offense of a continuing nature. In any court proceedings arising out of any alleged default by a Unit Owner, the prevailing party will be entitled to recover the

costs of such proceeding and reasonable attorney's fees as may be determined by the court.

- (c) **No Waiver of Rights** – The failure of anyone to enforce any rights does not constitute a waiver of rights.
- (d) **Interest** – In the event of a default by any Unit Owner in paying any sum assessed or for Common Expenses which continues for a period in excess of fifteen days, the principal amount unpaid will bear interest from the date due until paid at the higher of (i) 12% per annum, or (ii) 1% over the prime lending rate announced by Wachovia Bank, Clarksville, Virginia adjusted on the first day of each month or (iii) the highest rate permitted by law.
- (e) **Abating and Enjoining Violations by Unit Owners** – The BOD has the right to enter the Unit which is in violation or breach and remove at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein and the BOD shall not be deemed guilty in any manner of trespass; or to enjoin, abate or remedy by appropriate legal proceeding, 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, the Articles, Bylaw and Rules and Regulations are grounds for relief, including without limitation, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaw or any combination thereof any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the BOD, the managing Agent or if appropriate, by any aggrieved Unit Owner and will not constitute an election of remedies.

Section B – Lien for Assessments

- (a) The total annual assessment of each Unit Owner for the Common Expenses or any Special Assessment is hereby declared to be a lien levied against the unit of such Unit Owner as provided in Va. Code Ann. 55-79.84. The BOD may file or record such other notice as may be required by the laws of Virginia to confirm the establishment and priority of such lien.
- (b) In any case where an assessment is payable in installments, upon a default by the Unit Owner in the timely payment of any two consecutive installments, the maturity of the remaining total of the unpaid installments may be accelerated, at the option of the BOD, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to the defaulting Unit Owner and the mortgagee.
- (c) The lien for assessments may be enforced and foreclosed in the manner provided by the laws of Virginia. While the suit is pending the Unit Owner will be required to pay a reasonable rental for the unit for any period prior to sale pursuant to any judgment or order of any court.
- (d) A suit to recover a money judgment for unpaid contributions may be maintained without foreclosing or waiving the lien securing same.

Section C – Supplemental Enforcement of the Lien

No longer applicable.

Section D – Subordination and Mortgagee Protection

The lien of any assessment will be subject to and in no way affect the rights of a first mortgage on a Unit

Article 10 – Amendment to Bylaws and Condominium Termination

Section A – Amendments and Termination

Except as otherwise provided in these Bylaws or in the Condominium Act, the Declaration these bylaws may not be modified, amended or terminated except as provided in Va, Code Ann. 55-79.72, which requires 67% of the Unit Owners to amend and 80% to terminate.

Section B – Method of Amending

An amendment may be proposed by the BOD acting upon a majority vote or by a majority of the Unit Owners whether meeting as members or by an instrument in writing signed by them. Any proposed amendment will be transmitted to the president or other officer in the absence of the president and a special meeting will be called. The Secretary will give written notice to each Unit Owner of the special meeting giving the time, place and reciting the proposed amendment/s in reasonably detailed form. At the meeting the proposed amendment/s must receive a 67% vote to become effective. The amendment/s must be certified by the President and Secretary of the Association as having been duly adopted. The original must be filed within ten days of approval with the Circuit Court of the County of Mecklenburg. A copy is to be sent to all Unit Owners

- (a) No amendment in the percent of ownership in Common Elements or changes in Unit boundaries or the basis for sharing Common Expenses.
- (b) No alteration, amendment or modification of the rights granted a mortgagee.
- (c) No longer applicable.

Section C – Termination

- (a) Termination of the Condominium requires an agreement of 80% of the membership and must be recorded in the Circuit Court of the County of Mecklenburg. All mortgagee's must consent
- (b) In the event of termination where there is no casualty as set forth in Article 7, Section D, the Unit Owners will own the Condominium as tenants in common in undivided shares with any holders of mortgages or deeds of trust.

- (c) Following termination, the property that was formerly the Condominium may be sold. If the BOD determines by not less than a majority vote to accept an offer for the sale of the property, each Unit Owner will be bound to execute such deeds and other documents reasonably required to affect the sale.
- (d) The BOD acting as agent for all Unit Owners will continue to have powers as are granted under this article notwithstanding the fact that the Association itself may be dissolved.

Article 11 – Miscellaneous

Section A – Notices

All notices, demands, statements or other communications under these Bylaws will be in writing and will be deemed to have been duly given if delivered personally or otherwise as the Condominium Act may permit:

- (a) If to a Unit Owner, at the address which the Unit Owner will designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owner.
- (b) If to the Association, the BOD or Managing Agent, at the principal office of the Managing Agent or at such other address as will be designated by notice in writing to the Unit Owners pursuant to this section. If a Unit is owned by more than one person, each person who so designated an address in writing to the Secretary will be entitled to receive all notices.

Section B – Captions

The captions used 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.

Section C – Gender, Singular/Plural

The use of the masculine gender in these bylaws will be deemed to include the female genders and the use of singular will be deemed to include plural.

Signed: The Moorings Association