

**BY-LAWS OF
PINWOOD LAKE HOMEOWNERS
ASSOCIATION**

ARTICLE I

NAME AND LOCATION. The name of the corporation is Pinewood Lake Homeowners Association, hereinafter referred to as the "Association." The principal office of the corporation shall be located at 8159 Fernlake Court, Alexandria, Virginia, 22309-1209, but meetings of the members and directors may be held at such places within the State of Virginia, County of Fairfax, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 1. "Association" shall mean and refer to Pinewood Lake Homeowners Association, its successors, and assigns.

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

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

Section 4. "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 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Pinewood Lake Associates, its successors and assigns if such successors or assigns should acquire more than one undeveloped lot from the declarant for the purpose of development.

Section 8. “Declaration” shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the Properties recorded in the Office of the Clerk of Court, Fairfax County, Virginia.

ARTICLE III MEMBERSHIP

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association. Ownership of such lot shall be the sole qualification for membership.

Section 2. Suspension of Membership. During any period in which a member shall be in default in payment of an annual or special assessment levied by the Association, the voting rights and right to use of the recreational facilities of such member may be suspended by the Board of Directors until such assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed thirty (30) days, for violation of any rules and regulations established by the Board of Directors governing the use of the common area and facilities.

ARTICLE IV PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Section 1. Each member shall be entitled to the use and enjoyment of the common area and facilities as provided in the Declaration. An Association member (i.e., a homeowner), may delegate his right of enjoyment of the Common Area and facilities to the members of his family, his tenants or contract purchasers, who reside in the house. Such member shall notify the Association in writing of any person to whom he is delegating the right of use. The rights and privileges of such people are subject to suspension to the same extent as those of the members.

Section 2. Irrespective of the fact that Section 1 (b) of Article V of the Declaration gives the Association the right to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area this right shall not be exercised as to members for a period of five (5) years from the date of recordation of the Declaration and after this period only upon written approval of two-thirds (2/3) of the entire membership.

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**ARTICLE V
BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE**

Section 1. Number. The affairs of this Association shall be managed by a Board of nine (9) directors, who need not be members of the Association.

Section 2. Election. At the first annual meeting the members shall elect three directors for a term of one year, three directors for a term of two years and three directors for a term of three years; and at each annual meeting thereafter the member shall elect three directors for a term of three years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. 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 until the next annual election of Board members, when a new director shall be elected to fill the unexpired term.

Section 4. Compensation. 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.

**ARTICLE VI
MEETINGS OF DIRECTORS**

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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.

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**ARTICLE VII
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 Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the 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 may be made from among members or non-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 VIII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

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

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

(c) 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 without a valid excuse.

(d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties subject to working under the direct supervision and control of the President.

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members or at any special meeting, when

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such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) 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, to:

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

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

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on the property owned by the Association:

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

(g) cause the Common Area to be maintained, and

(h) cause the exterior of the dwellings to be maintained

(i) prosecute and defend all suits in law and equity in the name of the association and to employ legal counsel and such other persons as, in the sound discretion of the board, is deemed necessary to prosecute or defend such law or equity suits.

(j). adopt the Association's annual budget in October of each year, for the following year, UNLESS a special meeting, as provided in Article X, Section 2, is called for that purpose, in which case, the budget shall be adopted by action of the members.

ARTICLE IX COMMITTEES

Section 1. (a) The Association shall appoint an Architectural Control Committee which is provided for and whose duties are set out in Article 8 of the Declaration; a Nominating Committee, as provided for in Article VII, Section 1; and a

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Finance Committee. The Finance Committee shall prepare a proposed annual budget, which it shall present to the Board of Directors at its regular October meeting. The Board of Directors shall distribute a summary of the budget to each member with the ballot for the annual meeting. The Treasurer shall be an ex officio member of the Finance Committee.

(b) The Board of Directors shall appoint other Committees as deemed appropriate in carrying out its purposes, which may include, but are not limited to the following:

(1) A Hospitality Committee, which shall advise the Board of Directors on all matters pertaining to social activities and shall perform other functions as the Board in its discretion determines;

(2) A Maintenance Committee, which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the common areas, and shall perform such other functions as the Board in its discretion determines; and

(3) A Publications Committee, which shall publish a community-oriented newsletter and additional publications, such as an Internet site, a Directory, a Rules & Standards Book, updates thereto, and other publications.

ARTICLE X MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association and each subsequent regular annual meeting of the members shall be held in December of each year, thereafter, at the hour of 7:30 P.M.

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 or who are entitled to vote one-fourth (1/4) of the membership.

Section 3. Notice of Meetings. 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 notice, at least 14 days before such meeting to each member entitled to vote at such meeting, 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.

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Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of the 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 is not present or represented at any meeting, the members entitled to vote shall have power to adjourn the meeting from time to time. Such meetings may be reconvened by mailing another notice to each member at least 7 days in advance of such meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Order of Business. The order of business at any regular or special meetings shall be:

1. Greeting and disposal of any unapproved minutes
2. Reports of officers and committees.
3. New business.
4. Adjournment.

Section 6. 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.

ARTICLE XI OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president, vice president, secretary, and treasurer, who shall at all times be members of the Board of Directors and who shall be elected for one year by the Board of Directors.

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 the Association shall be elected annually by the Board and shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise 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

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take effect on the date of its acceptance by the Board of Directors.

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 the 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 case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers include but are not limited to the following:

PRESIDENT

The President shall preside at all meetings of the Board of Directors; shall have general supervision of the affairs of the corporation; shall sign all contracts and other instruments of the corporation; shall make reports to the Board of Directors and Stockholders, and perform all such other duties as are incident to his position, or are properly required by and of him by the Board of Directors. The President shall see that all orders and resolutions of the Board of Directors are carried out; and the President shall sign all necessary mortgages, deeds, and other written instruments and the president is hereby empowered and made an officer for the purpose of instituting any and all legal actions, at law and in equity, and shall have the right to defend the corporation in any suits filed by any individuals, persons, or corporation and to acquire such legal counsel and other experts as may be necessary to protect the corporate purpose.

VICE PRESIDENT

In the absence or disability of the president, the vice president shall exercise all of his functions, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

SECRETARY

The Secretary shall issue notices of all meetings and shall keep the minutes, and shall have charge of the seal and corporate books, shall sign all such instruments with the president that require such signatures, and shall make such reports and perform such other duties as are incident to his or her office, or as are properly required of him by the Board of Directors.

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TREASURER

The Treasurer shall have custody of all funds and securities of the corporation and deposit the same in the name of the corporation in such bank or banks as the directors may elect; the treasurer shall sign all checks, drafts, notes, and orders for the payment of money; and the treasurer shall payout and dispose of the same under the direction of the president. The treasurer shall, at all reasonable times, exhibit the books and accounts of the corporation to any director of the corporation upon application to the office of the corporation during normal business hours. The treasurer shall cause an annual audit of the corporation books to be made by a public accountant at the completion of each fiscal year, and shall prepare an annual profit and statement of income and expenditures to be presented to the membership at all annual meetings.

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: (1) annual assessments or charges, and (2) special assessments for capital improvements. The annual and special assessments, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. 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 assessment 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, and in particular for the improvement and maintenance of the Properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the Properties.

Section 3. Basis and Maximum of Annual Assessments.

(a) The maximum annual assessment may be increased January 1 of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the 12 month period ending in the month of July.

(b) The maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of the members for the next succeeding two (2) years and at the end of each such period of two (2) years, provided that any such change shall have the assent of the two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy, at a meeting

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duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(c) After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. **(Deleted by vote of the members, December 16, 2004.)**

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of this meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots, and may be collected on a monthly basis.

Section 7. Quorum for Any Action Authorized Under Sections 3 and 5. At the first meeting called, as provided in Sections 3 and 5 hereof, the presence at the meeting of members or of proxies entitled to cast sixty percent (60%) of all votes of each class of 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 set forth in Sections 3 and 5, 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 sixty (60) days following the preceding meeting.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. 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 of a member at any time furnish a certificate in

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writing, signed by an officer of the Association, setting forth whether the assessments on a specified lot have been paid. The Association is under no obligation to furnish a certificate to a non-member and cannot do so without the approval of a majority vote of the members of the Board of Directors taken at a meeting of the Board of Directors. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, and if such action becomes necessary, the delinquent homeowner covenants to pay whether or not court action becomes necessary. This interest, costs, and 20% attorney's fees shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment or rental of his lot.

Section 10. Subordination of the Lien to Deed of Trust. The lien of the assessments provided for herein shall be subordinate to the lien of any duly recorded first deed of trust. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. The following property subject to this shall be exempt from the assessments created therein: (a) all properties dedicated to and accepted by a local public authority, (b) the Common Area, and (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Virginia. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE XIII BOOKS AND RECORDS

The books, 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,

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where copies may be purchased at a reasonable cost.

**ARTICLE XIV
CORPORATE SEAL**

The Association shall have a seal in circular form having within its circumference the words: Pinewood Lake Homeowners Association, Virginia, and the word Seal.

**ARTICLE XV
AMENDMENTS**

Section 1. These By-Laws may be amended, repealed or altered in whole or in part at a regular or special meeting of the members, by a majority vote of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is a Class B membership.

Section 2. 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.

Section 3. Written notice of such proposed change to the By-Laws must be given to all members thirty (30) days before the regular or special meeting.

**ARTICLE XVI
MISCELLANEOUS**

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

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**BY-LAW AMENDMENT
PASSED DECEMBER 1972**

**ARTICLE XVII
PROCEDURE FOR RESOLUTION OF
ARCHITECTURAL CONTROL DISPUTES**

Section 1. The provision of the Article shall apply to disputes between a member and the Architectural Control Committee which may arise under Article VIII of the Declaration of Covenants, Conditions, and Restrictions.

(a) Within seven (7) calendar days after receipt by a member or his representative, on a written disapproval by the Architectural Control Committee as required by Article VIII of the Covenants, the member must contact the Architectural Control Committee to arrange to meet with the committee for discussion and possible solution. Such meeting shall take place within fifteen (15) calendar days after receipt by the member of the Committee's written disapproval.

(b) If the dispute cannot be resolved through discussion, a description of the dispute shall be reduced to writing by the member or his representative and presented to both the Secretary of the Association and the Chairman of the Architectural Control Committee within thirty (30) days after receipt of the Architectural Control Committee's original written disapproval.

(c) An answer by the Architectural Control Committee or its representative, shall be presented to the Secretary of the Association, with a copy to the member, within fifteen (15) calendar days after it receives the member's written description of the dispute.

(d) The dispute shall be considered and decided by the Board of Directors of the Association at its first regular meeting next after receipt by the Secretary of the Association of the written submissions referred to in the foregoing paragraphs b. and c. Notice of the time and place for such meeting shall be given to the member. A written copy of the Board's decision shall likewise be provided to the member.

(e) If the decision of the Board of Directors is adverse to the member, or in the event a majority of the Board cannot agree on a decision, the member may initiate the arbitration procedure set forth in Section 2 of this Article by presenting an appeal for the Board's decision to the Secretary of the Association within seven (7) calendar days after receipt of the written decision of the Board of Directors.

(f) Failure on the part of either the member or the Architectural Control Committee to comply with the foregoing provisions, including the stipulated time

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limits shall constitute a waiver of the failing party's position unless an extension of time has been mutually agreed to in writing.

Section 2. There is hereby authorized a Board of Arbitration for the purpose of adjusting disputes between the Board of Directors of the Association and a member which may arise under the terms of Article VIII of the Covenants and which are properly submitted to it after all steps for setting disputes as set forth in Section 1 of this Article have been exhausted, provided an appeal to arbitration has been presented to the Secretary of the Association within seven (7) calendar days after receipt of the Board's written decision.

(a) The Board of Arbitration shall in part consist of one (1) person selected by the aggrieved member and one (1) person selected by the President of the Association on behalf of the Board of Directors. The aggrieved member shall name his selection in his written appeal from the decision of the Board of Directors, and the President of the Association, on behalf of the Board of Directors, shall name its selection in writing to the Secretary of the Board, with a copy to the aggrieved member within fifteen (15) calendar days thereafter. Upon receipt of the selection of both parties, the Secretary of the Association shall request a university, government agency, or other neutral organization to provide a list of three (3) neutral architects or other qualified persons from which a third neutral member of the arbitration panel will be selected. The parties shall select one (1) neutral to serve as Chairman of the Board of Arbitration by alternately striking names from the list of three (3) neutrals. The order of striking shall be determined by lot.

(b) The Board of Arbitration shall hear and determine the dispute or controversy as promptly as possible and in all events within thirty (30) days after the date of the selection of the Chairman and shall issue a finding and award a decision in writing. The decision of the majority of the Arbitration Board shall be final, binding, and conclusive to the parties thereto. Such decision shall be within the scope and terms of Article VIII of the Covenants. All Arbitration Board hearings will be held at the office of the Association unless otherwise mutually agreed.

(c) Aggrieved members and the Board of Directors may be represented at arbitration hearings by such person or persons other than those selected to sit on the Board of Arbitration as they may choose and designate. Evidence may be presented either orally or in writing, or both.

(d) Each party to the dispute shall assume the compensation traveling expense and other expenses, if any, of its Arbitration Board member and witnesses called by it, and the losing party shall assume the fees and expenses of the neutral Arbitration Board member.

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ARTICLE XVIII
ENFORCEMENT OF PROPERTY MAINTENANCE

Section 1. The Architectural Control Committee shall in the first instance have responsibility for ascertaining compliance with Article IX of the Covenants. Whenever the Architectural Control Committee determines after inspection that any premises or the improvements situated on any Lot are being maintained in an unsatisfactory manner as could adversely affect the health, safety, and welfare of the community, said Committee shall issue a notice of violation setting forth the alleged failures and advising the member that such failures must be corrected. Such notice shall:

- (a) be in writing;
- (b) describe the premises or the improvements situated thereon where the violation(s) are alleged to exist;
- (c) set forth a reasonable time within which any violation alleged is required to be corrected; and
- (d) be served upon the member or upon his agent by personal delivery to such person or by mailing the notice to such person by certified mail, return receipt requested, addressed to the last known place of residence of such person.

Section 2. At the end of the period of time allowed for corrections of any violations alleged, the Architectural Control Committee shall re-inspect the premises or the improvements situated thereon described in the notice. If the Architectural Control Committee determines that the violation has not been corrected, the Committee may:

- (a) extend the time for compliance for a reasonable time; or
- (b) refer the matter to the Association's Board of Directors for the action contemplated by Article IX of the Declaration of Covenants, Conditions, and Restrictions. Written notice of such referral to the Board of Directors must be given to the member who has committed or allowed the alleged violation(s).

Section 3. The member shall be granted a hearing before the Board of Directors which shall be open to the public. The Board of Directors shall set a time and place for hearing and shall give the member notice thereof. At this hearing the member may present evidence to show why he is not in violation of the said Article and show cause why the Board of Directors should not take any further action

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against his property. After a finding by two-thirds (2/3) vote of the Board of Directors that said member is in violation of Article IX of the Covenants, written notice must be given of such findings by the Board of Directors and reasonable time must be given to the member to correct said violation.

Section 4. After the service of the notice of findings by the Board, if the Board of Directors determines that the violation has not been corrected and that it might, if not corrected within a reasonable time, endanger the health, safety or welfare of the community, the Board of Directors may make or enter into contracts for the making of whatever repairs the Board deems necessary, proper, and commercially reasonable to correct the violation, and the cost thereof will be charged to the owner of the property described in the notice of violation as called for by Article IX of the Declaration of Covenants.

Section 5. The Board of Directors shall make no arrangements to repair the premises or improvements situated thereon, as described in the notice of violation if, after the hearing, the Board of Directors determines that the member has demonstrated his ability and willingness to correct the violation as promptly as necessary in light of the nature of the violation. In the event the Board of Directors does so determine, the Board may continue the hearing and require the member to perform the work necessary to correct the violation within a specified period of time, and report to the Architectural Control Committee at periodic intervals on the progress of the work.

Section 6. If, at any time after the hearing is continued pursuant to Section 5, above, the Board of Directors, after notice to the member and after reconvening the hearing, determines that the member is not proceeding with due diligence or has failed to complete the work within the time period or in the manner specified, the Board of Directors may proceed in accordance with Section 4 of this Article.