

BYLAWS OF
PARKSIDE VILLAGE HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I - GENERAL

1.01 Name. The name of the corporation is PARKSIDE VILLAGE HOMEOWNER'S ASSOCIATION, INC. (the "Association"), a non-stock corporation organized under the Virginia Nonstock Corporation Act (the "Act").

1.02 Definitions. Except as expressly defined herein, all capitalized terms used herein shall have the respective meanings assigned to them in the Declaration.

1.03 Purposes. The purposes for which the Association is formed include providing for the management, maintenance, and care of the real estate known as the "Parkside Village Subdivision," located in the County of Albemarle, Virginia and more particularly described in the Declaration of Covenants, Conditions and Restrictions for Parkside Village Subdivision, as amended from time to time, (the "Declaration") and developed by Weather Hill Homes, Ltd., a Virginia corporation (the "Developer").

1.04 Offices. The principal office of the Association shall be in the County of Albemarle, Virginia. The Association shall designate a registered office in accordance with Virginia law and shall maintain it continuously. The Association may have offices at such other places within and without Virginia as the Board of Directors may from time to time determine.

1.05 Incorporation by Reference. The provisions of the Declaration are incorporated herein by this reference as a part of these Bylaws as if the provisions of the Declaration were set forth fully herein.

1.06 Construction of Provisions in Bylaws. The provisions of these Bylaws are expressly subject to the provisions set forth in the Articles of Incorporation of the Association, as amended from time to time, (the "Articles"), the Declaration, the Act, and the Virginia Property Owners' Association Act. The terms and provisions of the Articles, the Declaration, the Act, and the Virginia Property Owners' Association Act are to be controlling wherever the same may be in conflict herewith.

ARTICLE II - MEMBERS AND MEETINGS

2.01 Members. Every Owner shall be a Member of the Association. The foregoing does not include persons or entities which hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separate from ownership of any Lot which is subject to assessments.

2.02 Voting Rights. Owners shall be entitled to cast one (1) vote for each Lot owned. The vote for such Lot shall be exercised by joint owners as they among

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themselves determine, but in no event shall more than one vote be cast with respect to any Lot. Notwithstanding the foregoing, there shall be no vote for any Lot owned by the Association.

2.03 Annual Meetings. The Association shall hold an annual meeting of the Members each year on such day and at such place and time as shall be determined by the Board of Directors.

2.04 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 Members having twenty five percent of the votes entitled to be cast at such meeting.

2.05 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 copy of such notice, postage prepaid, to each Member entitled to vote, addressed to the Member's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and the purpose of the meeting. Such notice shall be given no less than 14 nor more than 60 days before the day of the meeting, except that notice of a Members' meeting to act on an amendment of the Articles of Incorporation, a plan of merger, a proposed sale of assets other than in the regular course of business, or the dissolution of the Association shall be given not less than 25 nor more than 60 days before the meeting.

2.06 Waiver of Notice. A Member may waive any notice required by law, the Articles, or these Bylaws before or after the date and time of the meeting that is the subject of such notice. The waiver shall be in writing, be signed by the Member entitled to such notice, and be delivered to the Secretary of the Association for inclusion in the minutes for filing with the corporate records. A Member who attends a meeting shall be deemed to have had timely and proper notice thereof, unless such Member states at the beginning of the meeting that he or she attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

2.07 Quorum. Except as otherwise provided by law, at any meeting of the Members of the Association, Members holding thirty percent of all votes entitled to be cast by the Members at such meeting, whether represented in person or by proxy, shall constitute a quorum for the transaction of business. In the absence of a quorum, the meeting may be adjourned and rescheduled. At the rescheduled meeting, fifty percent of the number of Members present at the initial meeting shall constitute a quorum. In the absence of a quorum again, the meeting may be adjourned and rescheduled until a quorum is obtained by the formula set forth in the preceding sentence.

2.08 Manner of Voting. 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 or her lot. Voting by mail is permitted for election of the directors who are to be elected by Members. In the case of a vote by mail, the Secretary of the Association will

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give written notice to all Members, on or about the date that notice of the Annual Meeting of the Members must be given, which notice will include a statement that the Members are entitled to vote by mail, a statement of a date not less than 20 days after the date the notice will have been given by which all votes must be received, and the specified address of the office to which all votes must be sent. Votes received after that date will not be effective. Delivery of a vote in writing to the designated office will be equivalent to receipt of a vote by mail at that address of the purpose of this section.

2.09 Designation of Voting Representative by Non-Individual Owners - Requirement for Proxy. If title to a Lot is held in whole or in part by a firm, corporation, partnership, association, limited liability company, or other legal entity, the voting privilege appurtenant to that ownership may be exercised only by a proxy executed on behalf of such party or parties, filed with the Secretary of the Association, and appointing and authorizing one person or alternate persons to attend all annual and special meetings of the Members and to cast the vote allocated to that Lot at such meeting.

2.10 Designation of Voting Representative by Multiple Owners - Use of Proxy. If title to a Lot is held by more than one Owner, each Owner may vote or register protest to the casting of votes by the other Owners of the Lot through a duly executed proxy, and if a majority of the Owners for a Lot cannot agree, the Owners of that Lot will not be entitled to vote. An Owner may not revoke a proxy given under this section except by actual notice of revocation to the person presiding over a meeting of the Association.

2.11 Majority. At any duly called meeting of the Association having a quorum, the majority of such quorum shall decide any question or matter that may come before the meeting, unless a greater number of votes is required on a particular question or matter by the Articles, by the Declaration, or by law.

2.12 Organization. At every meeting of the Members, the President, or some person appointed by the President, shall act as Chairman of the meeting. The Secretary, or, in the discretion of the Chairman, any person designated the Chairman, shall act as Secretary of the meeting.

2.13 Business and Order of Business. At each meeting of the Members, such business may be transacted as may properly be brought before such meeting, whether or not such business is stated in the notice of meeting or in the waiver of notice thereof, except as otherwise is expressly provided by law or by these Bylaws. The order of business of all meetings of the Members shall be as determined by the Chairman, but such order of business may be changed by a majority in voting power of the Members present in person or by proxy and entitled to vote at the meeting.

2.14 Record Date. Except as provided in Section 2.16 of these Bylaws, the Board of Directors may fix in advance a date to make a determination of Members entitled to notice, to vote at any meeting of Members, for any purpose, such date to be not more than seventy (70) days before the meeting or action requiring a determination of Members. If no such date is set, the date on which the notice of the meeting is mailed

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shall be the record date for such determination of Members.

When a determination of Members entitled to notice of or to vote at any meeting of Members (regardless of who may have called the meeting) has been made, such determination shall be effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date not more than one hundred and twenty (120) days after the date fixed for the original meeting.

2.15 Voting List. The Secretary of the Association shall make, at least ten (10) days before each meeting of Members, a complete list of the Members entitled to vote at any such meeting or any adjournment thereof, with the address of each. Such list shall be kept on file at the Principal Office of the Association for a period of ten (10) days prior to such meeting and shall be subject to inspection by any Member at any time during usual business hours for such ten-day period. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to inspection by any Member during the whole time of the meeting. The original record of Members shall be prima facie evidence as to who are the Members entitled to examine such list or records or to vote at any meeting of Members.

If the requirements of this section have not been substantially complied with, the meeting shall, on the demand of any Member in person or by proxy, be adjourned until such requirements are complied with.

2.16 Action by Members Without a Meeting. Any action required to be taken at a meeting of the Members of the Association, or which may be taken at such a meeting, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of Members. The record date for determining Members entitled to take action without a meeting is the date the first Member signs the consent.

ARTICLE III - DIRECTORS

3.01 General Powers and Duties. Subject to the limitations of the Articles, these Bylaws, the Act, and the Virginia Property Owners' Association Act concerning corporate action that must be authorized or approved by the Members of the Association, all corporate powers shall be exercised by or under the authority of the Board of Directors, and the management and affairs of the Association shall be controlled by the Board of Directors. The duties, obligations, and powers delegated to the Association and the Board of Directors as more fully described in the Declaration, the Articles, the Act, and the Virginia Property Owners' Association Act, and such provisions are incorporated herein by reference.

3.02 Number, Qualification, and Election.

(a) The number of Directors shall never be less than five (5). Subject to the above, the actual number of persons serving on the Board of Directors for each year shall be determined by the Developer so long as Developer owns any part of Parkside Village Subdivision (the “Developer Control Period”) and, thereafter, fixed by resolution of the Members, or, in the absence of such determination or resolution, shall be the number of Directors actually appointed by the Developer or elected by the Members, as applicable. Only the Members (or the Developer during the Developer Control Period) may change the range for the size of the Board of Directors or change from a variable range to a fixed size Board, but no decrease in the number of Directors shall have the effect of shortening the term of Director.

(b) During the Developer Control Period, the Developer shall have the sole and absolute right to appoint the Board of Directors. After the expiration of the Developer Control Period, the Members shall be entitled to annually elect the Directors, either at any annual meeting of the Members of the Association in a vote by mail conducted in accordance with Section 2.08 above.

(c) After the expiration of the Developer Control Period, all Directors shall be residents of Parkside Village Subdivision.

(d) With respect to the Directors elected by the Members, the persons who are duly nominated as described in Section 3.15 below and who receive the largest number of votes shall be elected to the Board of Directors. Cumulative voting is not permitted.

3.03 Term of Office. After the expiration of the Developer Control Period, the term of office for each Director shall be until the next annual election by the Members or until such Director’s successor shall have been elected, or until such Director’s death, resignation or removal.

3.04 Removal. Any Director may be removed from the Board of Directors, with or without cause, only if removed by the Developer during the Developer Control Period or, thereafter, if the number of votes cast to remove such Director constitutes a majority of the votes entitled to be cast at an election of Directors. A Director who was elected by the Members may be removed by the Members only at a meeting called for the purpose of removing such Director. The meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the Director.

3.05 Vacancies. In the event of death, resignation, or removal of a Director who is elected by the Members, his or her successor shall be elected by the remaining Directors and shall serve for the unexpired term of his or her predecessor. During the Developer Control Period, in the event of death, resignation, or removal of a Director who was appointed by the Developer, the successor of such Director shall be appointed by the Developer and shall serve for the unexpired term of his or her predecessor.

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3.06 Compensation. No Director will receive compensation for any service rendered to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of his or her duties as a Director.

3.07 Regular Meetings. Regular meetings of the Board of Directors will be held at such regular times as set by the Board of Directors, at such place and hour as may be fixed from time to time by resolution of the Board, but such meetings will be held no less frequently than quarterly. Should a regularly scheduled meeting fall upon a legal holiday, that meeting will be held at the same time on the next day that is not a legal holiday.

3.08 Special Meetings. Special meetings of the Board of Directors will 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.

3.09 Notice to Members. Notice including the time, date, and place of each meeting of the Board of Directors shall be furnished to any Member who requests such information within a reasonable time after such request. Requests by a Member to be notified on a continual basis shall be made at least once a year in writing and include the Member's name, address and zip code. Notice, reasonable under the circumstances, of special or emergency meetings shall be given contemporaneously with the notice provided Members of the Association's Board of Directors conducting the meeting.

3.10 Quorum. A quorum is deemed present throughout any meeting of the Board of Directors if a majority of the directors appointed by the Developer or elected by the Members, as applicable, are present at the beginning of the meeting. In the absence of a quorum, a majority of the Directors present may adjourn the meeting from time to time without further notice until a quorum is obtained.

3.11 Actions Binding on Directors. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present will be regarded as the act of the Board.

3.12 Waiver of Notice. Attendance of a Director at any meeting will constitute a waiver of notice of such meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Before, at, or after any meeting of the Board of Directors, any Director may waive in writing notice of such meeting, and that waiver will be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board of Directors need be specified in the waiver of notice of such meeting.

3.13 Organization. At each meeting of the Board of Directors, the Director designated by the Developer during the Developer Control Period, or thereafter, the Director who received the highest number of votes from the Members in the most recent election, or any person appointed by him or her, shall act as Chairman. The Secretary, or,

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in the discretion of the Chairman, any person designated by the Chairman, shall act as secretary of the meeting.

3.14 Action Taken Without a Meeting. The Directors will have the right to take any action that they could take at a meeting in the absence of a meeting by obtaining the written approval of all of the Directors. Any action so approved will have the same effect as though taken at a meeting of the Board of Directors.

3.15 Nominating Committee. After the expiration of the Developer Control Period, the Board of Directors shall appoint a Nominating Committee 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 by the Members. Nominations may also be made from the floor at the annual meeting of the Members.

ARTICLE IV — OFFICERS

4.01 Officers. The officers of the Association shall be a President and a Secretary, and such other officers as may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person.

4.02 Election. The officers shall be elected annually by the Board of Directors as soon as practicable after the annual election of Directors in each year. Each officer shall hold office until his or her successor shall have been duly elected or until death, resignation or removal in the manner hereinafter provided. No officer need be a Director except for the President.

4.03 Subordinate Officers. The Board of Directors may from time to time establish offices in addition to those expressly designated in Section 4.01 with such duties as are provided in these Bylaws or as may from time to time be determined.

4.04 Removal. Any officer may be removed, either with or without cause, by resolution declaring such removal to be in the best interests of the Association and adopted by the Board of Directors at any regular or special meeting of the Board. Any such removal shall be without prejudice to the recovery of damages for breach of the contract rights, if any, of the person removed. Election or appointment of an officer or agent shall not of itself, however, create contract rights.

4.05 Resignations. Any officer may resign at any time by giving oral or written notice to the Board of Directors, the President, or the Secretary of the Association. Any such resignation shall take effect at the date of receipt of such notice or at any later time therein specified.

4.06 Vacancies. A vacancy in any office because of death, resignation,

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removal, disqualification or any other cause shall be filled for the unexpired portion of the term by the Board of Directors.

4.07 Compensation. Salaries or other compensation of the officers may be fixed from time to time by the Board of Directors. No officer shall be prevented from receiving a salary by reason of the fact that he or she is also a Director of the Association.

4.08 President. The President shall be the chief executive and administrative officer of the Association and have general supervision of the business of the Association, subject, however, to the control of the Board of Directors. In general, the President shall perform all duties incident to the office of the President and such other duties as may from time to time be assigned to him or her by the Board of Directors.

4.09 Vice President(s). The Vice President(s), if such an office is created, shall perform such duties as from time to time may be assigned by the Board of Directors or by the President.

4.10 Treasurer. Except as may otherwise be specifically provided by the Board of Directors, the Treasurer, if such office is created, shall have the custody of and be responsible for all funds and securities of the Association from any source whatsoever. The Treasurer shall be responsible for depositing all monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these Bylaws; disbursing monies by check or draft on the authorized depositories of the Association signed in such manner as shall be determined in accordance with the provisions of these Bylaws; regularly entering or causing to be entered in books to be kept by him or her or under his or her direction full and accurate accounts of all money received and paid by him or her for account of the Association; and, in general, performing all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board of Directors or by the President.

4.11 Secretary. The Secretary shall act as secretary of all meetings of Members and of the Board of Directors of the Association, subject to the provisions of Section 2.12 and 3.13 herein; shall keep the minutes thereof in the proper book or books to be provided for that purpose; shall see that all notices required to be given by the Association are duly given and served; shall be the custodian of the seal of the Association and shall affix the seal or cause it to be affixed to all documents the execution of which on behalf of the Association under its corporate seal is duly authorized in accordance with the provisions of these Bylaws; shall have charge of the books, records and papers of the Association relating to its organization and management as a corporation; shall see that any reports or statements relating thereto, required by law or otherwise, are properly kept and filed; and shall, in general, perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the Board of Directors or by the President.

ARTICLE V — CONTRACTS, CHECKS, DRAFTS, BANK ACCOUNTS. ETC.

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5.01 Execution of Contracts and Other Documents. The Board of Directors, except as otherwise required by law or by these Bylaws, may authorize any officer or officers, or agent or agents, in the name of and on behalf of the Association, to enter into any contract or execute and deliver any instrument, and such authority may be general or confined to specific instances. Whenever the Board of Directors, in authorizing or directing the execution of any contract or other instrument, shall fail to specify the officer or officers or other agent or agents who are to execute the same, such contract or other instrument shall be executed on behalf of the Association by the President or any Vice President and, where necessary or appropriate, the corporate seal shall be affixed thereto and attested by the Secretary.

5.02 Loans. Any officer or officers, or agent or agents of the Association thereunto authorized by the Board of Directors may effect loans or advances at any time for the Association in the ordinary course of the Association's business from any bank, trust company or other institution or from any firm, corporation, or individual; and for such loans and advances, may execute certificates or evidence of indebtedness of the Association; and, when authorized so to do, may pledge or transfer any securities or other property of the Association as security for any such loans or advances. Such authority conferred by the Board of Directors may be general or confined to specific instances.

5.03 Checks, Drafts, Etc. All checks, drafts, and other orders for payment of money out of the funds of the Association shall be signed on behalf of the Association in such manner as shall from time to time be determined by resolution of the Board of Directors.

5.04 Deposits. The funds of the Association not otherwise employed shall be deposited from time to time to the order of the Association in such banks, trust companies or other depositories as the Board of Directors may from time to time select, or as may be selected by an officer or officers, or agent or agents of the Association to whom such power may from time to time be delegated by the Board of Directors.

ARTICLE VI — COMMITTEES

6.01 Committees. The Board of Directors shall appoint such committees, in addition to the Nominating Committee described in Section 3.15 above, as it deems appropriate in carrying out its purpose and the purpose of the Association, in accordance with the Act.

6.02 Committee Meetings. The provisions of Article III of these Bylaws relating to meetings, notice, and waiver of notice, quorum and voting, and consents shall apply to committees and their members.

ARTICLE VII — BOOKS AND RECORDS

7.01 Books and Records. The books, records and papers of the Association shall be available for examination by any Member during regular business hours at the Association's principal office upon reasonable notice of at least five (5) business days before the date on which he or she wishes to examine such books, records and papers, and in compliance with the pertinent provisions of the Act and the Virginia Property Owners' Association Act.

ARTICLE VIII — NONPROFIT OPERATION

8.01 Nonprofit Operation. The Association will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Association will be distributed to its Members, Directors, or officers without full consideration. The Association may contract in due course with its Members, Directors and officers, and may pay reasonable compensation to any Member, Director or officer acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, provided that such contracts and transactions do not violate the applicable provisions of the Act.

ARTICLE IX — FISCAL YEAR

9.01 Fiscal Year. The fiscal year of the Association shall be the period selected by the Board of Directors, but in the absence of any such selection, the fiscal year shall be the calendar year.

ARTICLE X — AMENDMENTS

10.01 By the Board of Directors. The Board of Directors may later amend or repeal these Bylaws or adopt new Bylaws of the Association at any meeting of the Board by a majority vote of the Directors present at such meeting, except to the extent that the Articles or the Act reserves this power exclusively to the Members.

10.02 By the Members. All Bylaws shall be subject to amendment, alteration, or repeal by the Members entitled to vote at any annual or special meeting. The Members, at any annual or special meeting, may provide that certain Bylaws by them adopted, approved or designated may not be amended, altered or repealed, except by a certain specified percentage of the Members.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Parkside Village Homeowner's Association, a Virginia nonstock corporation;

That the foregoing Bylaws constitute the original Bylaws of the Parkside Village Homeowner's Association, as duly adopted by the Board of Directors on this day.

In witness whereof, I have hereunto subscribed my name this ____ day of
, 2003.

_____, SECRETARY