

*Deer Valley Homeowners Association**By-Laws
Page 1***DEER VALLEY HOMEOWNERS ASSOCIATION****BY-LAWS****ARTICLE I - Name and Location**

The name of the corporation is Deer Valley Homeowners Association (the "Association"). The initial principal office of the corporation shall be located at 7272 Hanover Green Drive, Mechanicsville, VA 23111, but meetings of members and directors may be held at such places within the Commonwealth of Virginia as may be designated by the Board of Directors.

ARTICLE II - Definitions

1. "Association" shall mean and refer to the Deer Valley Homeowners Association, its successors and assigns.
2. "Common Area" shall mean all real property owned by or any easement conveyed to the Association for the common use and enjoyment of the Owners.
3. "Declaration" shall mean and refer to the "Deer Valley Declaration of Restrictive Covenants recorded in Deed Book 1371, page 625, in the Clerk's Office of the Circuit Court, Hanover County, Virginia, and any amendment or modification thereto applicable to the Property.
4. "Homeowners" shall mean and refer to a Member who occupies or acts as a lessor with respect to a dwelling constructed on a Lot.
5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of the Common Area.
6. "Member" shall mean and refer to those persons entitled to membership as provided for in the Declaration.

7. "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 Property, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.

8. "Property" shall mean and refer to that certain real property described in the "Deer Valley Declaration of Restrictive Covenants" recorded in the Clerk's Office of the Circuit Court of the County of Hanover, Virginia, in Deed Book 1371, page 625 and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE III - Meeting of Members

1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter (unless such date falls on a Saturday, Sunday or holiday, in which event the next following weekday not a holiday shall be the date of the meeting).

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 membership.

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, at least 15 days before such meeting, to each Member entitled to vote at the meeting. 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.

4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-fourth (1/4) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

5. Proxies. At all meetings of Members, such Member may vote in person or by proxy. All proxies shall be in writing in form approved by and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV - Board of Directors: Selection: Term of Office

1. Number. The initial Board of Directors and for so long as less than eighty-five percent (85%) of the Lots are owned by Homeowners, will consist of two (2) directors all appointed by Gulfstream Properties, L.L.C. Thereafter, the number of directors shall be five (5) and Gulfstream Properties, L.L.C. shall have the right to appoint only one (1) such director to serve until the later of January 1, 2004, or the date on which all Lots are owned by Homeowners. Directors not appointed by Gulfstream Properties, L.L.C. shall be elected by the other members of the Association at the annual meeting of the Association. Each member of the Association shall be entitled to one vote for each Lot. Directors shall be elected to serve for one year terms. Directors need not be members of the Association.

2. Term of Office. All Directors shall serve for a term of one (1) year.

3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association except for a director appointed by Gulfstream Properties, L.L.C. Upon the death, resignation or removal of a director, a successor shall be selected by the remaining Members of the Board.

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.

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

ARTICLE V - Nomination and Election of Directors

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.

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 of 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 VI - Meetings of Directors

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

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.

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.

ARTICLE VII - Powers and Duties of the Board of Directors

1. Powers. The Board of Directors shall have the 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) Suspend the voting rights of a Member during any period in which the Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations;
 - (c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these by-laws, the Articles of Incorporation, or the Declaration;
 - (d) Declare the office of a member of the Board of Directors to be vacant if such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
 - (e) Employ as manager, and independent contractor, or such other employees as they deem necessary, and prescribe their duties.
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 at the annual meeting of the Members, or at any special meeting, when such statement is requested in writing by one fourth (1/4) of the Members who are entitled to vote;
 - (b) Supervise all officers, agents and employees of this Association,

and see that their duties are properly performed;

- (c) As more fully provided in the Declaration, to:
 - (i) Fix the amount of the annual assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period, and
 - (ii) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period (however, failure to so notify any Owner shall not relieve such Owner from the obligation to pay such assessment), and
 - (iii) Foreclose the lien against any Lot for which assessments are not paid within ninety (90) days after the due date or to bring an action at law against the Owner personally obligated to pay the same.
- (d) Issue, or 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 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.

ARTICLE VIII - Officers and their Duties

1. Enumeration of Officers. The officers of this Association shall be a

president, a secretary, a treasurer, and such other officers as the Board may from time to time create, who shall at all times be Members of the Board of Directors.

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.

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

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.

5. Resignation and Removal. Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he replaces.

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

8. Duties. The duties of the Officers are as follows:

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

- (b) Vice President. The vice president, if any, shall act in the place and stead of the president upon the president's absence, inability or refusal to act and discharge such other duties as may be required of him by the Board.
- (c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring a seal; serve notice of meetings of the Board and of the Members, keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board
- (d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Members at their regular annual meeting.

ARTICLE IX - Committees

An initial Architectural Review Committee shall be composed of Michael A. Katzen and Paul H. Connors who shall remain the sole members of the committee and exclusively exercise all of the committee's authority unless and until such time as they release their authority to the Association. When so released, the Board of Directors shall create its own Architectural Review Committee to exercise all such architectural control originally provided for in the Declaration. The Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose. Committee Chairmen shall be appointed by the Board of Directors to oversee all committees (with the exception of the Architectural Review Committee, unless and until such time as the initial members of the Architectural Review Committee relinquish or assign their authority), for example the newsletter, neighborhood watch, social, etc.

ARTICLE X - 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, where copies may be purchased at reasonable cost.

ARTICLE XI - Assessments

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made. 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 twelve percent (12%) per annum, and the Association may bring action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided of his Lot. Furthermore, not more than \$250 from the unanticipated expense fund may be used by the Board on any one occasion without the approval of the majority of the members.

ARTICLE XII- Corporate Seal

The Association shall have a seal in circular form having within its circumference the words: "Deer Valley Homeowners Association" (or an easily recognizable abbreviation thereof).

AMENDMENTS XIII

1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy; however, no authority shall be vested in the Association, its members, officers or directors to remove Michael A. Katzen or Paul H. Connors as sole and exclusive members of the Architectural Review Committee or from the Board of Directors.

The Association shall have a seal in circular form having within its circumference the words: "Deer Valley Homeowners Association" (or an easily recognizable abbreviation thereof).

AMENDMENTS XIII

1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy, or by both Paul H. Connors and Michael A. Katzen, but only while they comprise the entire board of directors; however, no authority shall be vested in the Association, its members, officers or directors to remove Michael A. Katzen or Paul H. Connors as sole and exclusive members of the Architectural Review Committee or from the Board of Directors. Further, no authority shall be vested in the Association, its members, directors or officers to add members to the Architectural Review Committee until such time as both Michael A. Katzen and Paul H. Connors have relinquished or otherwise assigned their authority under the committee to the Association.

2. If there is any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and if there is any conflict between the Declaration and these By-Laws, the Declaration shall control.



MICHAEL A. KATZEN, Director

original signed

PAUL H. CONNORS, Director

AMENDMENT TO BYLAWS

At the Deer Valley Homeowners Association Meeting held on February 3, 2003, it was voted unanimously by the quorum of residents in attendance that:

1. The number of Board members would be increased to nine (9).
2. The number of Officers would be increased to four (4) to include the office of Vice-President.

Harold Blumfeld
President

3-5-03
Date

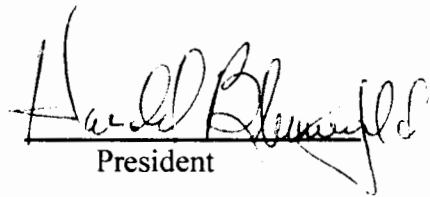
Susan M. Hatzon
Secretary

3/5/03
Date

AMENDMENT TO BYLAWS

At the Deer Valley Homeowners Association meeting held on October 23, 2003, it was voted unanimously by the quorum of residents in attendance that:

The number of Board members would be changed back to five (5).


President

11-04-03

Amendments to the Deer Valley Homeowners Association Disclosure notice, Bylaws and Restrictive Covenants as ratified on 4/4/2005 by a quorum of the members of the Association:

I. Deer Valley Homeowners Association packet disclosure changes:

5. A. Upon settlement of any home, whether new or resale, \$150.00
B. Yearly assessment: \$150.00 due June 1 for the entire year for the period beginning June 1 and ending May 31st.
Note: Dues shall be prorated as of the date of settlement.

II. Bylaws amendments:

Deleted from the bylaws: Article VIII, 8, (d), clause: "cause an annual audit of the Association books to be made at the completion of each fiscal year"

Added to the bylaws: Article VIII, 8 (e): "The Board shall cause an annual review of the Association books to be made at the completion of each fiscal year by an independent reviewer selected by the Board at their discretion. The Board may cause an annual audit to be made at its discretion or at the request of 10 members in writing."

Deleted from the bylaws: Article IV (1): "Directors need not be members of the Association".

Added to the bylaws: Article IV (1): "Directors must be members of the Association".

Added to the bylaws: Article IV (2): "Term of Office: All directors shall serve for a term of one (1) year. One Director, preferably the President, shall serve of the Board ex-officio for one year following their term of Office."

III. Declaration of Restrictive Covenants amendments:

Added to the Restrictive covenants:

3(b): If the restrictive covenant guidelines do not provide sufficient criteria for approval or rejection of certain architectural structures submitted to the ARC, the ARC will defer to the standards to be outlined in a document to be drafted as the **Deer Valley Homeowners Association Design Guidelines** to make a determination for approval of a proposed structure.

3(c): The Deer Valley Homeowners Association Design Guidelines will be updated through a vote the Board of Directors. Proposed changes will be submitted to the Board by the ARC chairman, and the Board will vote as to whether or not the changes should be adopted.

Marsha W. Mothershead 5/6/2005
Secretary Date

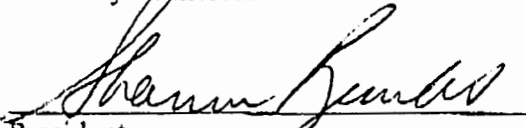
Harmon Reynolds 5/6/2005
President Date

AMENDMENT TO BYLAWS

At the Deer Valley Homesteaders Association Meeting held on March 16, 2006, it was voted unanimously by the quorum of residents in attendance that:

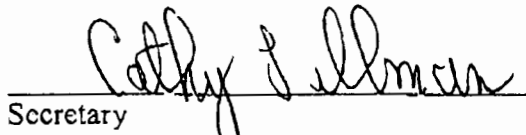
Article III – Meeting of Members

1. Annual Meetings. The first Annual Meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on a day within the month of May of each year thereafter.



President

3-16-06
Date



Secretary

3-16-06
Date

THIS INSTRUMENT WAS PREPARED
BY THE LAW OFFICE OF KATZEN &
FRYE

THIS DEED OF GIFT, pursuant to Section 58.1-811 D of the Code of Virginia,
made this 13th day of January, 1998, by and between **GULFSTREAM PROPERTIES,
L.L.C.**, a Virginia limited liability company of the first part, herein called Grantor; and
DEER VALLEY HOMEOWNERS ASSOCIATION, a Virginia non-stock corporation,
party of the second part, herein called Grantee:

WITNESSETH:

That for and in consideration of the promoting sound business practices and other
good and valuable consideration, the receipt of which is hereby acknowledged, the Grantor
grant and convey unto the Grantee, with General Warranty of Title, and except as
hereinafter set forth, with English Covenants of Title, in **fee simple**, the following described
property, to-wit:

SEE SCHEDULE "A" ATTACHED

This conveyance is made subject to recorded condition, restrictions, and easements
affecting the property hereby conveyed.

Deed: 11006
Org. Return to Grantor: Grantee
Others: Katzen + Frye P.C.
RICHARD L. SHELTON, CLERK

WITNESS the following signatures and seals:

GULFSTREAM PROPERTIES, L.L.C.

BY: *Michael A. Katzen*
MICHAEL A. KATZEN, SOLE
ACTING MANAGER

STATE OF VIRGINIA

COUNTY OF *Hanover*, to-wit:

The foregoing instrument was acknowledged before me this *2nd* day of *June*, 1999 by Michael A. Katzen.

Cynthia A. Bruce
NOTARY PUBLIC

My commission expires: *8/31/01*

SCHEDULE "A"

ALL that certain lot, piece or parcel of land, with all improvements thereon and appurtenances thereto belonging, lying and being in the Chickahominy District of Hanover County, Virginia and further set out and described as 'RECREATION AREA" as shown on that certain plat of subdivision made by Goodfellow, Jalbert, Beard and Associates, Inc., dated August 11, 1997, and entitled "DEER VALLEY SUBDIVISION, SECTION A," which plat is recorded in the in the Clerk's Office of the Circuit Court, Hanover County, Virginia in Subdivisin Plat Book 8, page 295, and to which plat reference is hereby made for a more particular description of the property.

BEING a part of the same real estate conveyed to Gulfstream Properties, L.L.C., a Virginia limited liability company, by deed from Elizabeth Broyles Cole, Gayle West Sylvester and Patricia West Fields, dated May 7, 1997, and recorded May 22, 1997, in the Clerk's Office aforesaid in Deed Book 12589, page 186.

Virginia, Hanover County, to-wit:
in the Clerk's Office of the County and State aforesaid the 7
day of June, 1999, at 1:26 o'clock P. M, the foregoing
writing was presented and admitted to record, together with the annexed certificate
of acknowledgement and recorded in Deed Book No. 1469 page 195
Teste: R. L. Shelton Clerk

Grantee's Address:

10367 New Britton Road
Mechanicsville, VA 23116