

BYLAWS OF

ST. JAMES PLACE OWNERS' ASSOCIATION

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BYLAWS
of
ST. JAMES PLACE OWNERS' ASSOCIATION

A non-stock corporation not for profit
Under the laws of the State of Virginia.

ARTICLE I

Section 1.1 Name. The name of this corporation is St. James Place Owners' Association, afterwards referred to as the "Association."

Section 1.2 Principal Office. The principal office of the Association shall be located at Suite 900, 2600 Washington Avenue, Newport News, Virginia 23607, but meetings of members or directors may be held at such place within the State of Virginia, City of Newport News, as may be from time to time designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 2.1 Declaration of Condominium. "Declaration" as used herein means that certain Declaration made on October 3, 1985, 1985, by Ashley Homes, Inc., a Virginia corporation, also referred to as the "Declarant", pursuant to the provisions of the Condominium Act of the Commonwealth of Virginia, as set forth in Chapter 4.2, Title 55, Code of Virginia of 1950, as amended, also referred to as the "Condominium Act", which Declaration is or is intended to be recorded in the Clerk's Office of the Circuit Court of the City of Newport News, Virginia.

Section 2.2 Member. "Member" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any Condominium Unit which is subject to the Declaration as set forth above. It is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Association. Ownership of such Unit shall be the sole qualification for membership.

Section 2.3 Owner. "Owner" shall mean any one or more persons, firms, corporations, partnerships, associations, trusts or other legal entity or any combination thereof, who owns a Unit, and includes the Declarant unless the context otherwise requires.

Section 2.4 Unit. "Unit" shall mean a portion of the Condominium designed and intended for individual ownership and use, and shall include the undivided interest of the Unit Owner in the Common Elements.

Section 2.5 Other Definitions. Unless it is plainly evident from the context that a different meaning is intended, all of the terms used herein shall have the same meaning as they are defined to have in the Declaration, or the Articles of Incorporation of the Association, and if not defined in either, then in the Condominium Act.

ARTICLE III

MEMBERSHIP

Section 3.1. Members. Each Unit Owner shall be a member of the Association and shall be entitled to vote in respect of the affairs of the Association. No other person may be a member of the Association or vote in its affairs.

Section 3.2 Change of Ownership. Upon the recording of a deed or other instrument establishing a change of record title to a Condominium Unit, and the delivery to the Association of a certified copy of said instrument, the Unit Owner designated by said instrument shall become a member of the Association and the membership of the prior Unit Owner, to the extent existing by virtue of his prior ownership of such Condominium Unit shall be thereby terminated.

ARTICLE IV

MEETINGS OF MEMBERS

Section 4.1. Location. All meetings of members shall be held at the principal office of the Association as specified in the notice or at such other place as the members shall agree upon.

Section 4.2 Annual Meetings. Within ninety (90) days after the Declarant has divested itself of control of the Association, the Declarant shall call the first meeting of Unit

Owners. Thereafter, annual meetings of the members shall be held on the same day of the same month of each year at the hour of 7:00 p.m. If the day falls on a legal holiday, the meeting will be held at the same hour on the next succeeding day which is not a legal holiday. The Secretary shall send to each Unit Owner notice of the time, place and purpose or purposes of each annual meeting not more than fifty and not less than twenty-one days in advance of such meeting. Such notice shall be given in the manner provided in the Condominium Act, to-wit: such notice shall be sent by United States mail, return receipt requested, to all Unit Owners of record at the address of their respective Condominium Units and to such other addresses as any of them may have designated to such officer; or, such notice may be hand delivered by such officer, provided he obtains a receipt of acceptance of such notice from the Unit Owner. At such meetings the members of the Board of Directors shall be nominated and elected in the manner provided in Section 5.2 hereof. The members may transact such other business at such meetings as may properly come before them.

Section 4.3 Special Meetings. Special meetings of the members may be called at any time by the President. In addition, it shall be the duty of the President to call a special meeting of the Unit Owners if so directed by a resolution of the Board of Directors or upon a petition signed and presented to the Secretary by the Unit Owners of Condominium Units to which at least twenty-five percent (25%) of the total votes appertain. Notice of any special meeting shall be made in the manner provided in Section 4.2 above, and the notice of said special meeting shall be given not more than fifty and not less than seven days in advance thereof.

Section 4.4 Notice to Institutional Mortgagees. The Secretary shall also give written notice of any and all annual and special meetings of members to all Institutional Mortgagees holding first Mortgages on Condominium Units who request in writing to be so notified. Such notice shall be sent by United States mail, return receipt requested, at the address shown for such Institutional Mortgagee in the Book of Mortgages. Each such

Institutional Mortgagees shall be entitled to designate a representative to attend any meeting of the members.

Section 4.5 Proxies. At all meetings of members, each member may vote in person or by a proxy duly elected by or on behalf of the Unit Owner, or, in cases where the Unit Owner is more than one person, by or on behalf of all such persons. No proxy shall be revocable except by actual notice to the persons presiding over the meeting, by the Unit Owner or by any such persons, that it be revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice aforesaid, or if the signatures of any of those executing the same have not been witnessed by a person who shall sign his full name and address. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy.

Section 4.6 Voting.

(a) In the event that any Condominium Unit is owned by more than one person, if only one of such persons is present at a meeting of the Units Owners that person shall be entitled to cast the votes appertaining to that Condominium Unit; but if more than one of the persons is present, the votes appertaining to that Condominium Unit shall be cast only in accordance with their unanimous agreement, which consent shall be conclusively presumed if any one of them purports to cast the votes appertaining to that Condominium Unit without protest being made forthwith by any of the others to the person presiding over the meeting.

(b) No member shall be eligible to vote if such member is more than thirty days delinquent in payments due the Association.

(c) Subject to the conditions set forth in this Section and Section 5.2 and the right of the Declarant to expand the Condominium as provided in Article IV of the Declaration, a Unit Owner shall be entitled to cast one vote at all meetings of Unit Owners for each Condominium Unit he owns.

Section 4.7 Quorum. Except as otherwise provided herein, the presence in person or by proxy of Unit Owners having one-third (1/3) of the total authorized votes of all Unit Owners shall constitute a quorum at all meetings of the Unit Owners.

Section 4.8 Majority Vote. The vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where the Declaration, ByLaws, Articles of Incorporation of the Association or law requires a higher percentage.

Section 4.9 Majority of Unit Owners. As used in these ByLaws, the term "majority of Unit Owners" shall mean those Unit Owners having more than fifty percent (50%) of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners.

ARTICLE V

DIRECTORS

Section 5.1 Number and Qualification. Until their successors shall have been elected at the first meeting of the Unit Owners following expiration of the Declarant's control pursuant to the terms of the Declaration, the affairs of the Association shall be managed by a Board of Directors consisting of three (3) persons, who need not be members of the Association, designated by the Declarant.

Section 5.2 Election. At the first annual meeting of members, the members shall nominate and elect 3 Directors in three classes as follows: Class A shall consist of one (1) Director, for a term of one (1) year; Class B shall consist of one (1) Director, for a term of two (2) years; Class C shall consist of one (1) Director, for a term of three (3) years. Each subsequent regular election of a Director will elect him for a term of three (3) years. The provisions of this Article notwithstanding, if the Condominium project is expanded, in accordance with Article IV of the Declaration, to include a total number of Condominium Units in excess of eighteen (18) units, or more, then the Association shall be managed by a Board of five (5) Directors who need not be members of the Association. Within thirty (30) days after recordation in the Newport News Circuit Court Clerk's Office of the instrument expanding the Condominium to include more than eighteen (18) Condominium Units, the existing three (3) member Board of Directors shall appoint two (2) additional Directors whose terms shall expire at the next annual meeting of the members.

of the Association. At that annual meeting, the members, in addition to any other election of Directors whose terms have expired, shall elect two (2) additional Directors, one (1) for a three (3) year term, and one (1) for a one (1) year term. Each subsequent regular election of a Director will elect him for a term of three (3) years.

Section 5.3. Compensation. No compensation shall be paid to Directors for their services as Directors. However, compensation may be paid to a Director in his capacity as an officer, employee, contractor or agent for services rendered to the Association, as long as such compensation is approved in advance by the Board of Directors, and the Director receiving such compensation is not permitted to vote in respect thereof.

Section 5.4 Removal and Resignation. Any Director may resign any any time by giving written notice to the President or the Secretary of the Association. Such resignation shall take effect at the time specified therein, at such time such resignation is received by the President or Secretary of the Association. At a meeting expressly called for that purpose, any Director may be removed, with or without cause, by a vote of the required majority of the Unit Owners; the Declarant shall have the right to remove and appoint Directors at will.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 6.1 Regular Meetings. The regular meetings of the Board of Directors shall be held at the same place as, and immediately following, the annual meeting of members, or at such other place as the Directors shall agree upon by appropriate resolution.

Section 6.2 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors.

Section 6.3 Notice of Meetings.

(a) Regular meetings of the Directors may be held without notice.

(b) The person or persons calling a special meeting of the Board of Directors shall, at least three (3) days before

the meeting, give oral, telephonic, telegraphic or written notice thereof, which notice shall state the time and the place, but need not state the purpose, of the meeting.

(c) Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except for a Director who attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 6.4 Notice to Institutional Mortgagees. The Secretary shall give written notice of any and all special meetings and of the annual meeting if other than immediately following the annual meeting of members, of the Board of Directors to all Institutional Mortgagees holding first Mortgages on Condominium Units who request in writing to be so notified. Such notice shall be sent by United States Mail, return receipt requested, at the address shown for such Institutional Mortgagee in the Book of Mortgagees. Each such Institutional Mortgagee shall be entitled to designate a representative to attend any meeting of the Board of Directors.

Section 6.5 Quorum. A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 6.6 Manner of Acting. Except as otherwise provided herein or by law, the act of a majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 6.7 Action Without a Meeting. Any action by the Board of Directors requested or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of meetings of the Board of Directors.

ARTICLE VII

OFFICERS

Section 7.1 Designation. The officers of the Association shall be a President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors and none of whom need to be

members of the Association. The office of President and Treasurer may be filled by the same person. The Directors may appoint one or more additional Vice Presidents, Assistant Treasurers, and such other officers as in their judgment may be desirable. Any two or more offices, other than the offices of President and Secretary, may be held by the same person.

Section 7.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at its regular meeting. Each officer shall hold office until his death, resignation, retirement, removal, disqualification or until his successor is elected and qualified.

Section 7.3 Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors with or without cause, but such removal shall be without prejudice to the contractual rights, if any, of the person so removed.

Section 7.4 Compensation. The compensation, if any, of all officers shall be fixed by the Board of Directors.

Section 7.5 Vacancies. A vacancy in any office may be filled in the manner prescribed for regular elections. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.6 President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall supervise and control the management of the Association in accordance with these ByLaws. The President shall be a member of the Board of Directors, and, when present, preside at all meetings of the Board of Directors. The President shall have all the general powers and duties which are usually vested in the office of President of a corporation, including, but not limited to: signing all leases, mortgages, deeds and other written instruments, and co-signing all checks and promissory notes.

Section 7.7 Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of members of the Association; the Secretary shall have custody of the seal of the Association; shall have charge of

the membership transfer books and of such other books and papers as the Board of Directors may from time to time direct; shall provide written notification to Institutional Mortgagees of a Unit of any default by the mortgagor - member of such Unit in the performance of such mortgagor's obligations under the Declaration governing the Condominium project, the Articles of Incorporation of the Association, or these Bylaws, which is not cured within thirty (30) days, upon receipt of a request for such information by such Institutional Mortgagees; and shall in general perform all the duties incident to the office of secretary.

Section 7.7 Treasurer. The Treasurer shall have the responsibility for corporate funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of, the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall cause to be made and filed at the registered or principal office of the Association within four months after the end of each fiscal year a true statement of the assets and liabilities of the Association as of the close of such fiscal year and a true statement of the results of its operation and changes in financial conditions, all in reasonable detail and in accordance with standard accounting principles and practice applied on a consistent basis. In addition to the above, the Treasurer shall prepare an annual budget to and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 8.1 Powers and Duties. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not prohibited by law or by the Articles of Incorporation, Declaration or these Bylaws directed to be exercised or done by the members. The powers and duties of the Board of Directors

shall include, but not be limited to, the following:

(a) To provide for the maintenance, repair and replacement of the Common Elements in a manner consistent with law and the provisions of these ByLaws and the Declaration;

(b) To establish and provide for the collection of assessments and/or carrying charges from the members and for the assessment and/or enforcement of liens therefor in a manner consistent with the law and the provisions of these ByLaws and the Declaration;

(c) To employ a manager, independent contractor and/or such other employees as they deem necessary, and on such terms as they deem advisable, in order to perform their duties hereunder and to provide the services for the Condominium in a manner consistent with law and the provisions of these ByLaws and the Declaration; provided, however, if Institutional Mortgagees having liens on a majority of the Units so request, a professional manager shall be engaged to manage the Condominium;

(d) To grant utility and other easements under, through and over the Common Elements, including such easements as are reasonably necessary to the ongoing development and operation of the Condominium and to accept easements which benefit the Condominium or any portion thereof;

(e) To cause to be kept a complete record of all the Association's acts and corporate affairs and to present a statement thereof at the regular annual meeting of the members or at any special meeting, when such statement is requested in advance in writing by any of the members who are entitled to vote

(f) To supervise all officers of the Association and to see that their duties are properly performed;

(g) In accordance with the provisions of the Declaration, to procure and keep in force such casualty, public liability, workmen's compensation and other insurance as shall be necessary and reasonable;

(h) To promulgate and enforce such administrative rules and regulations (i) governing the details of the operation, use

architectural treatment and decoration of the Common Elements, as the Board of Directors shall deem reasonable and necessary, and (ii) imposing such restrictions on, and requirements respecting the use and maintenance of the Condominium Units and the Common Elements not set forth in the Declaration, as are designed to prevent unreasonable interference with the use of the respective Units and of the Common Elements by, and governing the conduct of, the Unit Owners and/or their guests, tenants, invitees and licensees; provided, however, that any amendment to such rules and regulations must be approved by a majority of the votes in the Condominium before such amendment shall become effective;

(i) To the extent that any conduct of a Unit Owner or licensee or invitee or a Unit Owner constitutes a violation of the Rules and Regulations, Declaration or the ByLaws thereby resulting in any common expenses to the Units in the Condominium, the Board of Directors may, by appropriate resolution, provide for an expense incurred by the Association, or, in the alternative, such assessment may be in such reasonable amount as the Board of Directors may deem appropriate as liquidated damages, and any such assessment may be specially assessed against the Condominium Unit or Condominium Units of the the Unit Owner involved.

(j) To appoint an advisory architectural committee and to approve such reasonable exceptions to any architectural or design restrictions or restrictions on improvements as the advisory architectural committee may recommend and the Board of Directors may approve.

(k) To appoint other committees as deemed appropriate in carrying out its purposes such as: a Recreation Committee, a Maintenance Committee, an Audit Committee, a Publicity Committee.

Section 8.2 Contracts. The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument on behalf of the Association, and such authority may be general or confined to specific instances.

Section 8.3 Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors and approved by each of the members of the Association.

Section 8.4 Checks and Drafts, Payment Vouchers. All checks, drafts or other orders for the payment of money issued in the name of the Association shall be signed by, and all payment vouchers shall be approved by, such officer or officers, agent or agents of the Association and in such resolution by the Board of Directors.

Section 8.5 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors shall direct.

Section 8.6 Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and director of the Association against any and all expenses (including counsel fees), judgments and amounts paid in settlement, actually and reasonably incurred by such officer or directors in connection with any action, suit or other proceeding to which he may be made a party by reason of being or having been an officer or director of the Association, whether or not such person is an officer or director at the time such expenses or liabilities are incurred if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association; provided, however, that there shall be no obligation to indemnify any officer or director for any expenses or liabilities arising out of such person's gross negligence or willful misconduct. The officers and directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers and directors may also be, and be liable by virtue of being, owners of Condominium Units), and the Association shall indemnify and hold harmless each such officer and director against any and all liability to others on account of any such contract or commitment. Any right of indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association, or former officer or director of the Association, may be entitled.

ARTICLE IX
CORPORATE SEAL

The Association shall have a seal, in circular form, having within its circumference the words or abbreviations thereof: "ST. JAMES PLACE, A CONDOMINIUM".

ARTICLE X
BOOKS AND RECORDS

The books, records and papers (including financial statements) of the Association shall at all times, during normal business hours, be subject to inspection by any Member, Mortgagee and the holders, insurers and guarantors of the first Mortgage on a Condominium Unit and/or their duly authorized agent and attorneys. The Declaration, Articles of Incorporation of the Association, and ByLaws shall be available for inspection by any Members, Mortgagee, and the holders, insurers, and guarantors of the first Mortgage on a Condominium Unit at the principal office of the Association, which is 2600 Washington Avenue, Newport News, Virginia 23607.

ARTICLE XI
FISCAL MANAGEMENT

Section 11.1 Fiscal Year. The first fiscal year of the Association shall begin at the date of incorporation, and each fiscal year of the Association shall end on the last day of December; provided that the fiscal year herein established shall be subject to change by resolution of the Board of Directors at any time.

Section 11.2 Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with good accounting practices. The books and accounts shall include detailed accounts, in chronological order, of receipts and expenditures affecting the Condominium and its administration and shall specify the maintenance and repair expenses of the Common Elements and services and any other expenses incurred.

Section 11.3 Auditing. At the close of each fiscal year the books and records of the Association shall be audited by an accountant, whose report shall be prepared and certified in accordance with generally accepted accounting practices, applied

on a consistent basis. The Association shall furnish, within four (4) months after the close of each fiscal year a copy of such report to each Member and Institutional Mortgagee holding a first mortgage on a Condominium Unit who requests in writing to the Association a copy of such report.

Section 11.4 Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for corporate or trust funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE XII

ASSESSMENTS

Section 12.1 Creation of the Lien and Personal Obligation of Assessments. Each Member is deemed to covenant and agree to pay the Association (a) annual assessments or charges and (b) special assessments for capital improvements. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a continuing lien upon the Unit against which each 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 Unit Owner of such Unit at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them.

Section 12.2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Property, services and facilities devoted to this purpose and related to the use and enjoyment of the common area and of the Units to the extent directed, and as directed, by the Declaration.

Section 12.3 Basis and Maximum of Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment shall be SIX HUNDRED DOLLARS (\$600.00) per Unit.

(a) From and after January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

(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 12.4 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 Elements, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the votes of the 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 no less than thirty days nor more than sixty days in advance of the meeting setting forth the purpose of the meeting. Special assessments for alterations and new construction of the Common Elements shall have the assent and approval of 75% of the votes of the Members who are voting in person or by proxy at such meeting.

Section 12.5 Uniform Rate. Both annual and special assessments must be fixed at a uniform rate for all Units as specified by the Declaration and may be collected on a monthly basis.

Section 12.6 Quorum for Any Action Authorized Under Sections 12.3 and 12.4 of this Article. At the first meeting called, as provided in Sections 12.3 and 12.4 of this Article, the presence at the meeting of the Members or proxies entitled to cast sixty percent (60%) of all votes 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 12.3 and 12.4 hereof, 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 12.7 Date of Commencement of Annual Assessments.

The annual assessment provided for herein shall commence as to all Units on the first day of the month following the conveyance of the first Unit by the Declarant to the first Owner; provided, however, that if additional sections are annexed to the Condominium Project as set forth in the Declaration, then the annual assessment provided for herein shall commence as to all the Units in such annexed section on the first day of the month following the conveyance of the first Unit in that section, notwithstanding that assessments may have already commenced on other Units already a part of the Condominium Project. 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 Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Unit Owner subject thereto. The due dates shall be established by the Board of Directors.

Section 12.8 Reserve for Maintenance, Repair, and

Replacement. The Association shall establish and maintain, out of regular assessments for common expenses, a reserve fund for maintenance, repair and replacement of the Common Elements by the allocation and payment to such reserve fund of an amount or amounts to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense. Such fund reserve shall be an amount equal to or greater than two months' estimated common area charges. Such fund shall be deposited in a special account with a lending institution, the accounts of which are insured by an agency of the United States of America or fully guaranteed as to principal by, the United States of America. Such reserve may be expended only for the purpose of effecting the maintenance, repair or interest of Common Elements. The proportionate interest of any Unit Owner in any such reserve fund shall be considered as an appurtenance to his Condominium Unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Condominium Unit to which it appertains and shall be deemed to be transferred with such Condominium Unit. In addition, the Association may establish and maintain a reserve fund for other contingencies of a non-recurring nature.

Section 12.9 Effect of Nonpayment of Assessments;
Remedies of the Association.

(a) Any assessment or installment thereof paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten days after the date when due shall bear interest at the highest rate permitted by law from the date when due until paid. All payments on account shall be first applied to accrued interest and then to any assessment payments then due in the order of their due dates. In addition, the Board of Directors may from time to time impose a late charge on all sums not paid within ten (10) days of when due.

(b) In the event (i) of the failure of a Unit Owner to pay any assessment due hereunder for more than thirty (30) days after the due date; (ii) a petition is filed or any other proceeding is commenced under the Federal Bankruptcy Act or any state insolvency statute by or against any Unit Owner; or (iii) a receiver is appointed for, or a writ or order of attachment, levy or garnishment is issued against, any Unit Owner, or the property or assets of any of them, the balance of installments due for the then current fiscal year shall become immediately due and payable.

(c) Any sum assessed by the Association for the share of common expenses chargeable to any Condominium Unit, and remaining unpaid for a period of thirty (30) days or longer, shall constitute a lien on such Condominium Unit when filed of record in accordance with the Condominium Act. Upon such lien being duly filed, it shall be prior to all other liens except the following: (i) assessments, liens and charges for real estate taxes due and unpaid on the Condominium Unit; and (ii) all sums unpaid on any first deeds of trust or mortgages duly of record against the Condominium Unit prior to the docketing of the aforesaid lien and securing Institutional Mortgagees; and (iii) all sums unpaid on any first deed of trust securing a purchase money mortgage.

(d) Provided the aforesaid lien is duly filed, such lien may be foreclosed by suit by the Association, acting on behalf of the Unit Owners, in accordance with the Condominium Act. In any

such foreclosure the Unit Owner shall be required to pay a reasonable rental for the Condominium Unit and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect such rental. The Association, acting on behalf of the Unit Owners, shall have the power to bid in the Condominium Unit at a foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. A suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same. In any such action the Association shall also be entitled to recover reasonable attorney's fees advanced to effect collection of the assessment.

Section 12.9 Notice to Mortgagees. The Association shall give to all Mortgagees who request, in writing, to be so notified, notice of nonpayment of any common expense prior to foreclosure on any lien therefor.

ARTICLE XIII

AMENDMENTS

Section 13.1 Amendment. Subject to the terms and conditions hereinafter set forth, the ByLaws may be amended by the affirmative vote of the Owners of Condominium Units to which three-fourths (3/4) of the votes in the Association appertain. Notwithstanding the above, the rights of the Declarant as set forth in the Declaration and these ByLaws may not be diminished.

Section 13.2 Notice. Notice of the subject matter of any proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

Section 13.3 Recordation Required. No amendment to the ByLaws shall be effective until the same has been recorded in the Clerk's Office of the Circuit Court of the City of Newport News, Virginia.

Section 13.4 Binding Effect. All Unit Owners shall be bound to abide by any amendment upon the same being passed and duly set forth in an amended Declaration, duly recorded.

Section 13.5 Rights of Mortgagees. No material amendment may be made to these ByLaws without the prior written approval of each Institutional Mortgagee holding a first Mortgage on a Condominium Unit and who has requested, in writing, to be notified

of such amendments. A copy of any proposed amendment shall be furnished to all such Institutional Mortgagees holding bona fide first liens, and unless the disapproval of any such amendment is received within thirty days of the giving of such copy, the amendment shall be conclusively deemed approved by such Institutional Mortgagee. A copy of each amendment shall be recorded in the Clerk's Office of the Circuit Court of the City of Newport News, Virginia. The rights of the members to amend the ByLaws, as provided for in this Article, are subject to the right of certain amendments elsewhere set forth in these ByLaws.

ARTICLE XIV

BOOK OF MORTGAGEES

Any time a Unit Owner mortgages his Condominium Unit, he shall notify the Association, in writing, of such Mortgage, specifying the name and address of the Mortgagee and the priority of the lien of the Mortgage. The Association shall maintain a "Book of Mortgagees" in which the foregoing information shall be recorded.

ARTICLE XV

COMPLIANCE - INTERPRETATION - MISCELLANEOUS

Section 15.1 Compliance. These ByLaws are set forth in compliance with the requirements of Section 55-79.73 of the Code of Virginia of 1950, as amended.

Section 15.2 Conflict. These ByLaws are subordinate and subject to all provisions of the Declaration, the Articles of Incorporation of the Association and the Condominium Act. Every provision of these ByLaws shall be construed, if possible, so as not to conflict with said Act or the Declaration or said Articles of Incorporation.

Section 15.3 Severability. In the event any provision or provisions of these ByLaws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

Section 15.4 Waiver. No restriction, condition, obligation or provision of these ByLaws shall be deemed to have been abrogated or waived by reason of any failure or failures to

enforce the same.

Section 15.5 Captions. The captions contained in these ByLaws are for convenience only and are not a part of these ByLaws and are not intended in any way to limit or enlarge the terms and provisions of these ByLaws.

IN WITNESS WHEREOF, We, being all of the Directors of ST. JAMES PLACE OWNERS' ASSOCIATION, INC., have hereunto set our hands this ____ day of _____, 19__.

AMENDMENT TO THE BYLAWS OF
ST. JAMES PLACE OWNER'S ASSOCIATION, INC.

THIS AMENDMENT to the Bylaws of St. James Place Owners Association, Inc., a Virginia non-stock corporation (hereinafter referred to as the "Association") is made this 16th day of July, 1987.

WHEREAS, by the Declaration of St. James Place, a Condominium dated December 2, 1985, recorded in the Office of the Clerk of the Circuit Court for the City of Newport News, Virginia, in Deed Book 1109, page 1321 (hereinafter referred to as the "Declaration"), Declarant did submit certain real property situate, lying and being in the City of Newport News, Virginia, to the regime established by the Condominium Act, Title 55, Chapter 4.2, § 55-79.39 through § 55-79.103 of the Code of Virginia of 1950, as amended (hereinafter referred to as the "Condominium Act") and did thereby create and establish a condominium form of ownership for the property known as St. James Place, a Condominium (hereinafter referred to as the "Condominium"); and

WHEREAS, pursuant to § 55-79.73(a) of the Condominium Act, a set of bylaws (hereinafter referred to as the "Bylaws") was simultaneously recorded with the Declaration providing for the self-government of St. James Place, a Condominium by the Association comprised of all the Unit Owners therein; and

WHEREAS, the Declarant, by amendment to the Declaration, has added certain of the additional land to the Condominium pursuant to § 55-79.63 of the Condominium Act; and

WHEREAS, § 55-79.73(c) of the Condominium Act provides that an amendment to the Declaration creating Units upon the additional land requires an amendment to the Bylaws of the Association to reallocate each Unit's liability for Common Expenses in the Condominium and to state the voting rights of each Unit Owner in the Association.

NOW, THEREFORE, pursuant to the requirements of § 55-79.73(c) of the Condominium Act, and upon motion duly made, seconded and unanimously adopted at special meeting of the members and Board of Directors of the Association, the bylaws are hereby amended as follows:

Reallocation of Voting Rights and Liability for Common Expenses. Pursuant to Section 55-79.73(c) of the Condominium Act, the liability for Common Expenses and voting rights in the Condominium are hereby reallocated to each and every Unit, in accordance with the formula for allocation of Common Expenses contained in Article III, Section 3.7 of the Declaration and Article IV, Section 4.6 of the Bylaws.

Except as modified by this Amendment, all terms and provisions of the bylaws, are hereby expressly ratified and confirmed, and shall remain in full

force and effect and shall be applicable to the Condominium Units and Common Elements created hereby.

WITNESS the following signature, this 24 day of July, 1987.

ST. JAMES PLACE OWNER'S
ASSOCIATION, INC.

By: Robert E. Hawkins
Robert E. Hawkins, President

STATE OF VIRGINIA
CITY OF NEWPORT NEWS, to wit:

I, Vicki L. Hudson, a Notary Public in and for the City and State aforesaid, whose commission expires on the 26 day of November, 1989, do hereby certify that Robert E. Hawkins, as President of ST. JAMES PLACE OWNER'S ASSOCIATION, INC., whose name is signed to the foregoing writing bearing date on the 16 day of July, 1987, has acknowledged the same before me in my City and State aforesaid.

Given under my hand this 24 day of July, 1987.

Vicki L. Hudson
Notary Public

VIRGINIA: City of Newport News, to-wit
In the Clerk's Office of the Circuit Court for the City of Newport News, the 28 day of August, 1987. This Deed was presented with the certificate annexed, and admitted to record at 3:30 o'clock P. M.

Teste: James M. Hambleton, Clerk
By Ed M. [Signature] D. C.

AMENDMENT TO THE BYLAWS OF
ST. JAMES PLACE OWNER'S ASSOCIATION, INC.

(PHASE 13)

THIS AMENDMENT to the Bylaws of St. James Place Owners Association, Inc., a Virginia non-stock corporation (hereinafter referred to as the "Association") is made this 14th day of April, 1988.

WHEREAS, by the Declaration of St. James Place, a Condominium dated December 2, 1985, recorded in the Office of the Clerk of the Circuit Court for the City of Newport News, Virginia, in Deed Book 1109, page 1321 (hereinafter referred to as the "Declaration"), Declarant did submit certain real property situate, lying and being in the City of Newport News, Virginia, to the regime established by the Condominium Act, Title 55, Chapter 4.2, § 55-79.39 through § 55-79.103 of the Code of Virginia of 1950, as amended (hereinafter referred to as the "Condominium Act") and did thereby create and establish a condominium form of ownership for the property known as St. James Place, a Condominium (hereinafter referred to as the "Condominium"); and

WHEREAS, pursuant to § 55-79.73(a) of the Condominium Act, a set of bylaws (hereinafter referred to as the "Bylaws") was simultaneously recorded with the Declaration providing for the self-government of St. James Place, a Condominium by the Association comprised of all the Unit Owners therein; and

WHEREAS, the Declarant, by amendment to the Declaration, has added certain of the additional land to the Condominium pursuant to § 55-79.63 of the Condominium Act; and

WHEREAS, § 55-79.73(c) of the Condominium Act provides that an amendment to the Declaration creating Units upon the additional land requires an amendment to the Bylaws of the Association to reallocate each Unit's liability for Common Expenses in the Condominium and to state the voting rights of each Unit Owner in the Association.

NOW, THEREFORE, pursuant to the requirements of § 55-79.73(c) of the Condominium Act, and upon motion duly made, seconded and unanimously adopted at a special meeting of the members and Board of Directors of the Association, the Bylaws are hereby amended as follows:

Reallocation of Voting Rights and Liability for Common Expenses. Pursuant to Section 55-79.73(c) of the Condominium Act, the liability for Common Expenses and voting rights in the Condominium are hereby reallocated to each and every Unit, in accordance with the formula for allocation of Common Expenses contained in Article III, Section 3.7 of the Declaration and Article IV, Section 4.6 of the Bylaws.

Except as modified by this Amendment, all terms and provisions of the Bylaws, are hereby expressly ratified and confirmed, and shall remain in full force and effect and shall be applicable to the Condominium Units and Common Elements created hereby.

WITNESS the following signature, this 14th day of April, 1988.

ST. JAMES PLACE OWNER'S
ASSOCIATION, INC.

By: C. EARLE WILLIAMS

STATE OF VIRGINIA
CITY OF NEWPORT NEWS, to wit:

I, Dorothy J. Julian, a Notary Public in and for the City and State aforesaid, whose commission expires on the 4th day of May, 1991, do hereby certify that C. Earle Williams, Vice-President of ST. JAMES PLACE OWNER'S ASSOCIATION, INC., whose name is signed to the foregoing writing bearing date on the 14th day of April, 1988, has acknowledged the same before me in my City and State aforesaid.

Given under my hand this 14th day of April, 1988.

Dorothy J. Julian
Notary Public

VIRGINIA: City of Newport News, to-wit
In the Clerk's Office of the Circuit Court for the City of Newport News, the 14 day of April, 1988. This deed was presented with due execution and admitted to record at 2:29 o'clock P.M.

Teste: REX A. DAVIS, Clerk

By Chris D. C.

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AMENDMENT TO THE BYLAWS OF
ST. JAMES PLACE OWNER'S ASSOCIATION, INC.

(PHASE 12)

THIS AMENDMENT to the Bylaws of St. James Place Owners Association, Inc., a Virginia non-stock corporation (hereinafter referred to as the "Association") is made this 25th day of April, 19 89.

WHEREAS, by the Declaration of St. James Place, a Condominium dated December 2, 1985, recorded in the Office of the Clerk of the Circuit Court for the City of Newport News, Virginia, in Deed Book 1109, page 1321 (hereinafter referred to as the "Declaration"), Declarant did submit certain real property situate, lying and being in the City of Newport News, Virginia, to the regime established by the Condominium Act, Title 55, Chapter 4.2, § 55-79.39 through § 55-79.103 of the Code of Virginia of 1950, as amended (hereinafter referred to as the "Condominium Act") and did thereby create and establish a condominium form of ownership for the property known as St. James Place, a Condominium (hereinafter referred to as the "Condominium"); and

WHEREAS, pursuant to § 55-79.73(a) of the Condominium Act, a set of bylaws (hereinafter referred to as the "Bylaws") was simultaneously recorded with the Declaration providing for the self-government of St. James Place, a Condominium by the Association comprised of all the Unit Owners therein; and

WHEREAS, the Declarant, by amendment to the Declaration, has added certain of the additional land to the Condominium pursuant to § 55-79.63 of the Condominium Act; and

WHEREAS, § 55-79.73(c) of the Condominium Act provides that an amendment to the Declaration creating Units upon the additional land requires an amendment to the Bylaws of the Association to reallocate each Unit's liability for Common Expenses in the Condominium and to state the voting rights of each Unit Owner in the Association.

NOW, THEREFORE, pursuant to the requirements of § 55-79.73(c) of the Condominium Act, and upon motion duly made, seconded and unanimously adopted at a special meeting of the members and Board of Directors of the Association, the Bylaws are hereby amended as follows:

Reallocation of Voting Rights and Liability for Common Expenses.
Pursuant to Section 55-79.73(c) of the Condominium Act, the liability for Common Expenses and voting rights in the Condominium are hereby reallocated to each and every Unit, in

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According to the formula for allocation of Common Expenses contained in Article III, Section 3.7 of the Declaration and Article IV, Section 4.6 of the Bylaws.

Except as modified by this Amendment, all terms and provisions of the Bylaws, are hereby expressly ratified and confirmed, and shall remain in full force and effect and shall be applicable to the Condominium Units and Common Elements created hereby.

WITNESS the following signature, this 25th day of April, 1989.

ST. JAMES PLACE OWNER'S ASSOCIATION,
INC.

By: C. EARLE WILLIAMS, JR., President

STATE OF VIRGINIA
CITY OF NEWPORT NEWS, to wit:

I, Mary J. Woodley, a Notary Public in and for the City and State aforesaid, whose commission expires on the 13th day of November, 1989, do hereby certify that C. EARLE WILLIAMS, JR., as President of ST. JAMES PLACE OWNER'S ASSOCIATION, INC., whose name is signed to the foregoing writing bearing date on the 25th day of April, 1989, has acknowledged the same before me in my City and State aforesaid.

Mary J. Woodley
Notary Public

VIRGINIA: City of Newport News, to-wit
In the Clerk's Office of the Circuit Court for the City of Newport News, this 25th day of April, 1989. This Deed was presented with the certificate annexed, and admitted to record at 11:41 o'clock AM.

Teste: REX A. DAVIS, Clerk

By: [Signature] D. C.

AMENDMENT TO THE BYLAWS OF
ST. JAMES PLACE OWNER'S ASSOCIATION, INC.
(PHASE 10)

THIS AMENDMENT to the Bylaws of St. James Place Owners Association, Inc., a Virginia non-stock corporation (hereinafter referred to as the "Association") is made this 18th day of September, 1989.

WHEREAS, by the Declaration of St. James Place, a Condominium dated December 2, 1985, recorded in the Office of the Clerk of the Circuit Court for the City of Newport News, Virginia, in Deed Book 1109, page 1321 (hereinafter referred to as the "Declaration"), Declarant did submit certain real property situate, lying and being in the City of Newport News, Virginia, to the regime established by the Condominium Act, Title 55, Chapter 4.2, § 55-79.39 through § 55-79.103 of the Code of Virginia of 1950, as amended (hereinafter referred to as the "Condominium Act") and did thereby create and establish a condominium form of ownership for the property known as St. James Place, a Condominium (hereinafter referred to as the "Condominium"); and

WHEREAS, pursuant to § 55-79.73(a) of the Condominium Act, a set of bylaws (hereinafter referred to as the "Bylaws") was simultaneously recorded with the Declaration providing for the self-government of St. James Place, a Condominium by the Association comprised of all the Unit Owners therein; and

WHEREAS, the Declarant, by amendment to the Declaration, has added certain of the additional land to the Condominium pursuant to § 55-79.63 of the Condominium Act; and

WHEREAS, § 55-79.73(c) of the Condominium Act provides that an amendment to the Declaration creating Units upon the additional land requires an amendment to the Bylaws of the Association to reallocate each Unit's liability for Common Expenses in the Condominium and to state the voting rights of each Unit Owner in the Association.

NOW, THEREFORE, pursuant to the requirements of § 55-79.73(c) of the Condominium Act, and upon motion duly made, seconded and unanimously adopted at a special meeting of the members and Board of Directors of the Association, the Bylaws are hereby amended as follows:

Reallocation of Voting Rights and Liability for Common Expenses.
Pursuant to Section 55-79.73(c) of the Condominium Act, the liability for Common Expenses and voting rights in the Condominium are hereby reallocated to each and every Unit, in

accordance with the formula for allocation of Common Expenses contained in Article III, Section 3.7 of the Declaration and Article IV, Section 4.6 of the Bylaws.

Except as modified by this Amendment, all terms and provisions of the Bylaws, are hereby expressly ratified and confirmed, and shall remain in full force and effect and shall be applicable to the Condominium Units and Common Elements created hereby.

WITNESS the following signature, this 18th day of September, 1989.

ST. JAMES PLACE OWNER'S ASSOCIATION,
INC.

By: [Signature]
C. EARLE WILLIAMS, JR., President

STATE OF VIRGINIA
CITY OF NEWPORT NEWS, to wit:

I, Kristi D. Pitts, a Notary Public in and for the City and State aforesaid, whose commission expires on the 16th day of May, 1993, do hereby certify that C. EARLE WILLIAMS, JR., as President of ST. JAMES PLACE OWNER'S ASSOCIATION, INC., whose name is signed to the foregoing writing bearing date on the 18th day of September, 1989, has acknowledged the same before me in my City and State aforesaid.

Kristi D. Pitts
Notary Public

VIRGINIA: City of Newport News, to-wit
In the Clerk's Office of the Circuit Court for the City of Newport News, the 18 day of Sept, 1989. This Deed was presented with the certificate annexed, and admitted to record at 11:40 o'clock A. M.

Teste: REX A. DAVIS, Clerk

By: [Signature] D. C.

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11/29/89 kjw

AMENDMENT TO THE BYLAWS OF
ST. JAMES PLACE OWNER'S ASSOCIATION, INC.

(PHASE 11)

THIS AMENDMENT to the Bylaws of St. James Place Owners Association, Inc., a Virginia non-stock corporation (hereinafter referred to as the "Association") is made this 20th day of December, 1989.

WHEREAS, by the Declaration of St. James Place, a Condominium dated December 2, 1985, recorded in the Office of the Clerk of the Circuit Court for the City of Newport News, Virginia, in Deed Book 1109, page 1321 (hereinafter referred to as the "Declaration"), Declarant did submit certain real property situate, lying and being in the City of Newport News, Virginia, to the regime established by the Condominium Act, Title 55, Chapter 4.2, § 55-79.39 through § 55-79.103 of the Code of Virginia of 1950, as amended (hereinafter referred to as the "Condominium Act") and did thereby create and establish a condominium form of ownership for the property known as St. James Place, a Condominium (hereinafter referred to as the "Condominium"); and

WHEREAS, pursuant to § 55-79.73(a) of the Condominium Act, a set of bylaws (hereinafter referred to as the "Bylaws") was simultaneously recorded with the Declaration providing for the self-government of St. James Place, a Condominium by the Association comprised of all the Unit Owners therein; and

WHEREAS, the Declarant, by amendment to the Declaration, has added certain of the additional land to the Condominium pursuant to § 55-79.63 of the Condominium Act; and

WHEREAS, § 55-79.73(c) of the Condominium Act provides that an amendment to the Declaration creating Units upon the additional land requires an amendment to the Bylaws of the Association to reallocate each Unit's liability for Common Expenses in the Condominium and to state the voting rights of each Unit Owner in the Association.

NOW, THEREFORE, pursuant to the requirements of § 55-79.73(c) of the Condominium Act, and upon motion duly made, seconded and unanimously adopted at a special meeting of the members and Board of Directors of the Association, the Bylaws are hereby amended as follows:

Reallocation of Voting Rights and Liability for Common Expenses.
Pursuant to Section 55-79.73(c) of the Condominium Act, the liability for Common Expenses and voting rights in the Condominium are hereby reallocated to each and every Unit, in

accordance with the formula for allocation of Common Expenses contained in Article III, Section 3.7 of the Declaration and Article IV, Section 4.6 of the Bylaws.

Except as modified by this Amendment, all terms and provisions of the Bylaws, are hereby expressly ratified and confirmed, and shall remain in full force and effect and shall be applicable to the Condominium Units and Common Elements created hereby.

WITNESS the following signature, this 20th day of December, 1989.

ST. JAMES PLACE OWNER'S ASSOCIATION,
INC.

By: [Signature]
C. EARLE WILLIAMS, JR., President

STATE OF VIRGINIA
CITY OF NEWPORT NEWS, to wit:

I, MARY J. WOODLEY, a Notary Public in and for the City and State aforesaid, whose commission expires on the 30th day of June, 1993, do hereby certify that C. EARLE WILLIAMS, JR., as President of ST. JAMES PLACE OWNER'S ASSOCIATION, INC., whose name is signed to the foregoing writing bearing date on the 20th day of December, 1989, has acknowledged the same before me in my City and State aforesaid.

Mary J. Woodley
Notary Public

VIRGINIA: City of Newport News, to-wit
In the Clerk's Office of the Circuit Court for the City of Newport
News, the 22nd day of Dec, 1989 This Deed was
presented with the certificate annexed, and admitted to record at
11:30 o'clock A.M.

Teste: REX A. DAVIS, Clerk

By [Signature] D.C.

AMENDMENT TO THE BYLAWS OF
ST. JAMES PLACE OWNER'S ASSOCIATION, INC.

(PHASE 9)

THIS AMENDMENT to the Bylaws of St. James Place Owners Association, Inc., a Virginia non-stock corporation (hereinafter referred to as the "Association") is made this 15th day of December, 1987.

WHEREAS, by the Declaration of St. James Place, a Condominium dated December 2, 1985, recorded in the Office of the Clerk of the Circuit Court for the City of Newport News, Virginia, in Deed Book 1109, page 1321 (hereinafter referred to as the "Declaration"), Declarant did submit certain real property situate, lying and being in the City of Newport News, Virginia, to the regime established by the Condominium Act, Title 55, Chapter 4.2, § 55-79.39 through § 55-79.103 of the Code of Virginia of 1950, as amended (hereinafter referred to as the "Condominium Act") and did thereby create and establish a condominium form of ownership for the property known as St. James Place, a Condominium (hereinafter referred to as the "Condominium"); and

WHEREAS, pursuant to § 55-79.73(a) of the Condominium Act, a set of bylaws (hereinafter referred to as the "Bylaws") was simultaneously recorded with the Declaration providing for the self-government of St. James Place, a Condominium by the Association comprised of all the Unit Owners therein; and

WHEREAS, the Declarant, by amendment to the Declaration, has added certain of the additional land to the Condominium pursuant to § 55-79.63 of the Condominium Act; and

WHEREAS, § 55-79.73(c) of the Condominium Act provides that an amendment to the Declaration creating Units upon the additional land requires an amendment to the Bylaws of the Association to reallocate each Unit's liability for Common Expenses in the Condominium and to state the voting rights of each Unit Owner in the Association.

NOW, THEREFORE, pursuant to the requirements of § 55-79.73(c) of the Condominium Act, and upon motion duly made, seconded and unanimously adopted at a special meeting of the members and Board of Directors of the Association, the Bylaws are hereby amended as follows:

Reallocation of Voting Rights and Liability for Common Expenses. Pursuant to Section 55-79.73(c) of the Condominium Act, the liability for Common Expenses and voting rights in the Condominium are hereby reallocated to each and every Unit, in accordance with the formula for allocation of Common Expenses contained in Article III, Section 3.7 of the Declaration and Article IV, Section 4.6 of the Bylaws.

Except as modified by this Amendment, all terms and provisions of the Bylaws, are hereby expressly ratified and confirmed, and shall remain in full force and effect and shall be applicable to the Condominium Units and Common Elements created hereby.

WITNESS the following signature, this 18th day of December, 1987.

ST. JAMES PLACE OWNER'S
ASSOCIATION, INC.

By: [Signature]
C. Earle Williams, Vice President

STATE OF VIRGINIA
CITY OF NEWPORT NEWS, to wit:

I, MARCELLA ALBERS, a Notary Public in and for the City and State aforesaid, whose commission expires on the 10th day of August, 1990, do hereby certify that C. Earle Williams, as Vice President of ST. JAMES PLACE OWNER'S ASSOCIATION, INC., whose name is signed to the foregoing writing bearing date on the 15th day of December, 1987, has acknowledged the same before me in my City and State aforesaid.

Given under my hand this 18th day of December, 1987.

[Signature]
Notary Public

VIRGINIA: City of Newport News, to-wit

In the Clerk's Office of the Circuit Court for the City of Newport News, the 21 day of Dec, 19 87. This Deed was presented with the certificate annexed, and admitted to record at 9:26 o'clock A. M.

Test: James M. Hambleton, Clerk

By [Signature] D. C.

THIS DOCUMENT IS EXHIBIT A TO THE
ELEVENTH AMENDMENT TO THE DECLARATION OF
ST. JAMES PLACE, A CONDOMINIUM
ADDING ADDITIONAL LAND, DATED DECEMBER 15, 1987
(PHASE 9)

The real property added to the Condominium pursuant to paragraph 1 of the Amendment to the Declaration of St. James Place, A Condominium, is described as follows:

All that certain lot, piece or parcel of property lying, being and situate in the City of Newport News, Virginia, designated as "Phase Nine 0.2557 Ac." on that certain plat entitled, "St. James Place Condominiums, Phase Nine, City of Newport News, Virginia," dated July 16, 1987, and prepared by Coenen and Associates, Inc., Engineers-Planners-Surveyors; said plat being attached hereto and made a part hereof; said property being more specifically described as follows:

Beginning at an iron pipe located on the southerly side of Denbigh Boulevard at the point of intersection of the herein-described property with the property now or formerly owned by Patrick Henry Hospital for the Chronically Ill, Incorporated; and running thence S 75° 54' 21" E a distance of 582.75 feet to a point; thence S 14° 05' 39" W a distance of 142.00 feet to the point or place of beginning of this parcel; and from the point of beginning thus established, running thence S 14° 05' 39" W a distance of 88.27 feet to a point; thence N 75° 54' 21" W a distance of 140.74 feet to a point; thence N 14° 05' 39" E a distance of 70.00 feet to a point; thence S 83° 18' 12" E a distance of 141.92 feet to the point or place of beginning.

Amendment to ByLaws of
St. James Place Owners Association, Inc.
 Phases 1-13

This amendment to the Bylaws of the St. James Owners Association, Inc., a Virginia non-stock corporation (hereinafter referred to as Association) is made this 12th day of February 2003.

Whereas, by the Declaration of the St. James Place, a condominium dated December 2, 1985, recorded in the Office of the Clerk of the Circuit Court for the City of Newport News, Virginia, in deed book 1109, page 1321 (hereinafter referred to as Declaration), Declarant did submit certain real property situate, lying and being in the City of Newport News, Virginia to the regimen established by the Condominium Act, Title 55, Chapter 4.2, § 55-79.39 through §55-79.103 of the Code of Virginia of 1950, as amended (hereinafter referred to as the "Condominium Act") and did thereby create and establish a condominium form of ownership for the property known as St. James Place, a condominium (hereinafter referred to as the "Condominium".) and

Whereas pursuant to §55-79.73 (a) of the Condominium Act, a set of bylaws (hereinafter referred to as "ByLaws") was simultaneously recorded with the Declaration providing for the self government of St James Place, a Condominium by the Association comprised of Unit Owners therein;

Now therefore pursuant to the §55-79.73 of the Condominium Act effective July 2002, and upon motion duly made, seconded and unanimously adopted at the Annual meeting of the members and Board of Directors of the Association and with a majority of the members voting in writing for the following change, the Bylaws are hereby amended as follows:

The By Laws currently read:

Section 5.4 – Removal and Replacement

Any Director may resign at any time by giving notice to the President or the Secretary of the Association. Such resignation is received by the President or Secretary of the Association. At a meeting expressly called for that purpose, any Director may be removed, with or without cause, by a vote of the required majority of the Unit Owners; the Declarant shall have the right to remove and appoint Directors at will.

The By Laws will be changed to read:

Section 5.4 Removal and Replacement

Any Director may resign at any time by giving written notice to the President or the Secretary of the Association. Such resignation shall take effect at the time specified therein, at such time, such resignation is received by the President or Secretary of the Association. Any Director who resigns or becomes unable to serve because of an incapacitation lasting two or more months shall be replaced by a majority vote of the Board of Directors. The selected Directors shall serve until the next scheduled Annual meeting. Nomination for the position shall then be posted and will be voted on at the next annual membership meeting to serve the remainder of the original term of the position. At a meeting expressly called for that purpose, any Director may be removed, with or without cause, by a voted of the required majority of Unit Owners; the Declarant shall have the right to remove and appoint Directors at will.

**Amendment to the ByLaws of
St James Place Owners Association, Inc.
Phases 1-13**

Except as modified by this Amendment, all terms and provisions of the ByLaws, are hereby expressly ratified and confirmed and shall remain in full force and effect and shall be applicable to the Condominium Units and Common Elements created hereby.

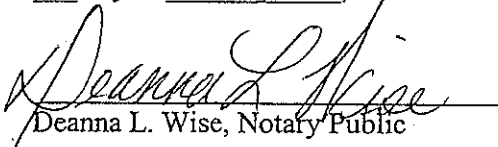
Witness the following signature, this 12th day of February 2003

ST JAMES PLACE OWNERS ASSOCIATION, INC.

By: 
James V. Todd, President

Commonwealth of Virginia
City of Newport News

I, Deanna L. Wise, a Notary Public in and for the City and State aforesaid, whose commission expires on May 31, 2003, do hereby certify that James V. Todd, as President of St James Place Owners Association, Inc. whose name is signed to the foregoing writing bearing the date on the 12th day of February 2003, has acknowledged the same before me in my City and State aforesaid.

 2/12/03
Deanna L. Wise, Notary Public

IRGINIA: City of Newport News, to-wit
the Clerk's office of the Circuit Court for the City of Newport
News, the 13 day of Feb 03. The
ed was
resented with the certificate annexed, and admitted to record at
9:53 o'clock a M.

Teste: REX A. DAVIS, Clerk
By: 

BK1239161318

ST. JAMES PLACE OWNERS ASSOCIATION
NEWPORT NEWS, VIRGINIA
ADMINISTRATIVE RESOLUTION
VIOLATIONS & FINES

THIS RESOLUTION, made this 1st day of June, 1990, by the Unit Owners Association, St. James Condominiums

AND WHEREAS, Article VIII, Section 8.1 of the Bylaws provides that the Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not prohibited by law or by the Articles of Incorporation, Declaration or these Bylaws directed to be exercised or done by the members.

AND WHEREAS, Article IX, Section 9.1, Item 3 of the Declaration states that reasonable rules and regulations concerning the use of the Common Elements and conduct of the Owners, their families, guests, tenants, agents and invitees within the Condominium project may be made, amended and revoked from time to time by the Board of Directors of the Association.

AND WHEREAS, Article IX, Section 9.1: Use Restrictions, of the Declaration fails to make any provisions powering the Board of Directors to assess charges against any Unit Owner for any violations of the St. James Place Declaration, Bylaws, and Rules and Regulations;

AND WHEREAS, Section 55-79.80 (b2) of the Virginia Condominium Act states that the Unit Owners' Association shall have the power, to the extent the condominium instruments or rules duly adopted pursuant thereto expressly so provide, to assess charges against any Unit Owner for any violation of the condominium's instruments or of the rules and regulations promulgated pursuant thereto for which such Unit Owner or his family members, tenants, guests, invitees and licensees are responsible.

NOW, THEREFORE, Be it resolved that Article IX of the Declaration, hereby is revised to add Section 9.1, Item M as follows:

SECTION 9.1, Item M : Effect of Noncompliance with Documents:

The Association, upon notice given to Unit Owners, shall levy a charge against any such Unit Owner in violation of the Declaration, Bylaws, Rules of Conduct and amendments adopted duly thereto.

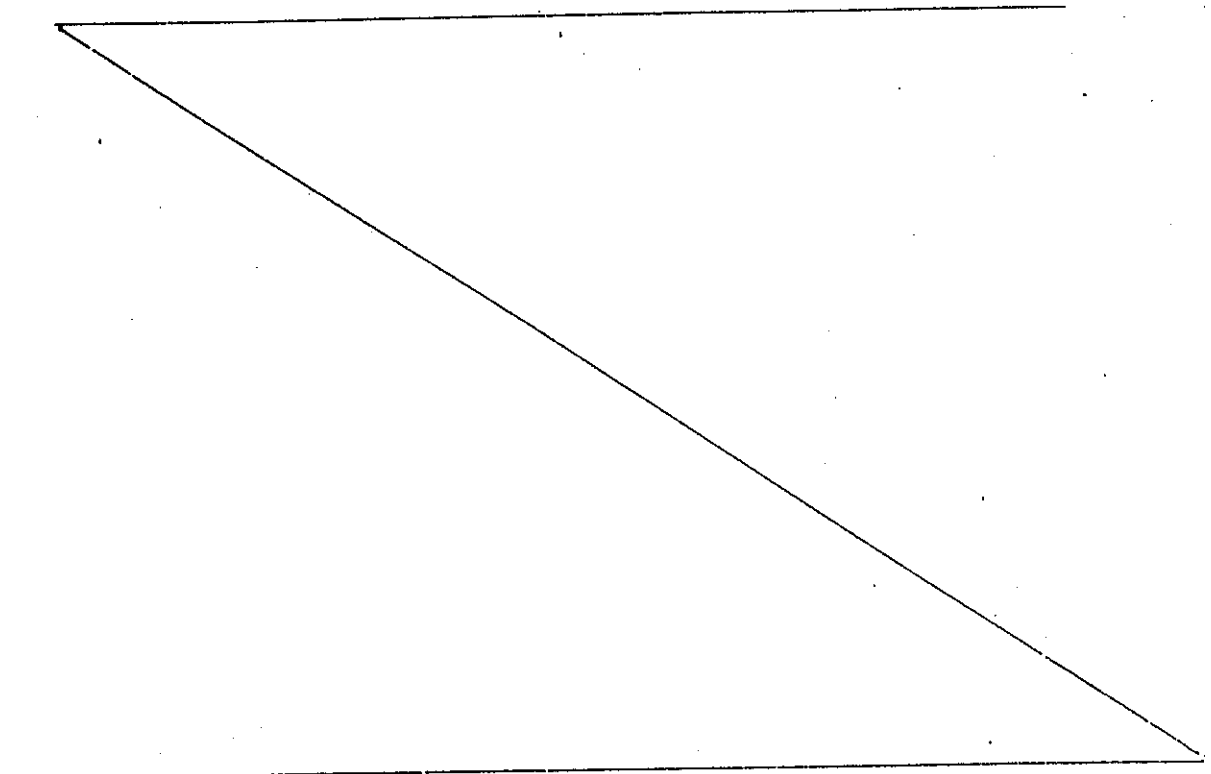
1-A Unit Owner will be issued a written warning upon notice of the violation, and will be given 7 days to correct the violation.

2-Upon notice of a second offense, a Unit Owner will be sent a written notice, at which time, a fee will be assessed.

ST. JAMES PLACE CONDOMINIUM ASSOCIATION
Administrative Resolution
Violations & Fines
Page 2

3-The first violation will normally be a written warning. Thereafter, a hearing will be scheduled with the Board of Directors, at which time the unit owner found to be in violation will have the opportunity to appeal the assessment. If the Board finds the unit owner to be in violation, or if the unit owner does not show up for the hearing, the amount so assessed shall not exceed fifty dollars (\$50.00) for a single offense or \$10.00 per diem for any offense of a continuing nature and be treated as a lien against said owner with the same force and shall effect as if the charge was a part of the Common Expenses attributable to such owner.

4-Any unit owner found to be in violation shall be responsible for all attorney's fees and court costs that may result in the enforcement of the Declaration, Bylaws, Rules of Conduct and amendments of the Association.



Witness the following signatures:

ST. JAMES PLACE OWNERS ASSOCIATION

By: Constance Cunningham
President
Ann R. Boggs
Secretary

STATE OF VIRGINIA

CITY OF NEWPORT NEWS, TO WIT

The foregoing instrument was acknowledged before me
this 1st day of June, 1990, by Constance Cunningham,
President of St. James Place Owners Association.

Bambi L. Solle
Notary Public

My commission expires: 12/17/90

STATE OF VIRGINIA
CITY OF NEWPORT NEWS TO WIT

The foregoing instrument was acknowledged before me this 5th day
of June, 1990, by Ann R. Boggs, Secretary of St. James Place
Owners Association.

Stuart J. Parker
Notary Public

My commission expires: May 4, 1993

VIRGINIA: City of Newport News, to-wit
In the Clerk's Office of the Circuit Court for the City of Newport
News, the 11th day of December, 1990. This Deed was
presented with the certificate annexed, and admitted to record at
2:21 o'clock P. M.

Teste: REX A. DAVIS, Clerk

By: John A. C. Thomas D.C.