

**Bylaws
of
Stoneridge at Bent Mountain Property Owners Association, Inc.**

Article I - Name and Principal Office Location

The name of the corporation is Stoneridge at Bent Mountain Property Owners Association, Inc. (hereinafter referred to as the "Association"). The principal office of the corporation shall be located Roanoke County, Virginia.

Article II - Definitions

The following terms, as used in these Bylaws, shall have the following meanings:

(a) "Common Elements" shall mean all real property and interests in real property (including easements) owned by the Association.

(b) "Declarant" shall mean and refer to Stoneridge at Bent Mountain, LLC, its successors and assigns, if such successors or assigns shall acquire more than one undeveloped Lot from Declarant for the purpose of development and are designated as a Declarant in a recorded instrument executed by Stoneridge at Bent Mountain, LLC.

(c) "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Restrictions and Easements for Stoneridge at Bent Mountain recorded in Book _____, at Page _____ in the Office of the Clerk of the Circuit Court of Roanoke County, Virginia, as the same may be amended.

(d) "Development" shall mean and refer to the Lots and Common Elements that are subject to the Declaration.

(e) "Lot" shall mean and refer to a numbered parcel of land shown upon any recorded subdivision map of the Development.

(f) "Member" shall mean and refer to every person or entity entitled to membership as provided in the Articles of Incorporation of the Association and in Article III of these Bylaws.

(g) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot in the Development, but excluding those having such interest solely as security for an obligation.

Article III - Membership

Section 1. Membership and Allocation of Votes. As provided in the Articles of Incorporation and the Declaration, every Owner of a Lot in the Development shall be a Member

of the Association. Membership shall be appurtenant to and may not be separated from ownership of the Lot. As provided in the Declaration, there shall be one vote for each Lot for all matters subject to a vote of the Members.

Section 2. Co-owners. If a Lot is owned by two or more co-owners and only one of the co-owners is present at a meeting of the Owners, the co-owner who is present is entitled to cast the vote allocated to that Lot. If more than one of the co-owners is present, the vote allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the multiple co-owners. Majority agreement is conclusively presumed if any one of the co-owners casts the vote allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other co-owner(s) of the Lot.

Section 3. Proxies. The votes allocated to a Lot may be cast pursuant to a proxy duly executed by the Owner. If a property is owned by two or more co-owners, each co-owner may vote or register protest to the casting of vote by the other co-owner(s) of the Lot through a duly executed proxy. An Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Members. A proxy is void if it is not dated. A proxy terminates eleven (11) months after its date, unless it specifies a shorter term, and in any event a proxy shall automatically terminate upon conveyance of the Lot.

Article IV - Meetings of Members

Section 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 annual meeting of the Members shall be held at such time and place as the Executive Board may prescribe.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or the Executive Board.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than ten (10) nor more than sixty (60) days before such meeting to each Member entitled to vote at the meeting, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. Waiver by a Member in writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If such quorum shall not be present or represented at any meeting, those present 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.

Article V - Executive Board

Section 1. Number. The affairs of the Association shall be managed under the direction of an Executive Board consisting of three (3) directors, who need not be Members of the Association.

Section 2. Term of Office. Except as otherwise provided herein, directors shall hold office for a period of one (1) year or until their successors are appointed or elected.

Section 3. Removal. Any director, other than those appointed by Declarant, may be removed from the Executive Board, with or without cause, by a majority vote of the Members of the Association. In the event of the death, resignation or removal of a director, a successor shall be selected by the remaining members of the Executive Board, and shall serve for the unexpired term of the predecessor.

Section 4. Compensation. No director shall receive compensation for service in such capacity. However, a director may be reimbursed for actual and reasonable expenses incurred in the performance of such director's duties.

Section 5. Action Without a Meeting. The Executive Board shall have authority to take any action without a meeting that it could take at a meeting by obtaining the written approval or consent of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the Executive Board.

Article VI - Appointment and Election of Executive Board

Section 1. Appointment of Directors by Declarant. As provided in the Declaration, Declarant has the right to appoint the directors until the initial sale by Declarant of forty six (46) Lots in the Development, or December 31, 2010, whichever shall occur first. The initial directors appointed by Declarant shall serve in such capacity until their resignation, removal by Declarant, or expiration of Declarant's right to appoint directors. Declarant shall have the absolute right at any time, in its sole discretion, to remove and replace any person or persons that it has appointed to the Executive Board, or to fill any vacancy created by the death or resignation of a director appointed by Declarant, by giving written notice thereof to any officer of the Association. Such notice shall specify the name(s) of the person(s) to be replaced and the successor(s), and the effective date thereof.

Section 2. Nomination and Election of Directors by the Members. Upon and after the expiration of Declarant's right to appoint the Executive Board, the nomination and election of directors by the Members shall be conducted in the following manner:

(a) A Nominating Committee appointed by the Executive Board shall make nominations for directors. Nominations may also be made from the floor at the meeting of Members. The Nominating Committee shall consist of a chairperson, who shall be a member of the Executive Board, and two (2) or more Members of the Association. The Nominating Committee shall make as many nominations for election to the Executive Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominees shall not be required to be Members.

(b) Election to the Executive Board shall be by secret written ballot. The person(s) receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

Section 3. Vacancies. During the time that Declarant has the right to appoint the Executive Board, Declarant shall appoint a new director to fill any vacancy. Thereafter, the remaining directors shall appoint a person to fill any vacancy on the Executive Board until the next annual meeting of Members, at which time the Members shall elect a person to such position. With respect to any director elected by the Members or appointed by the Executive Board to fill a vacancy, the Executive Board shall have authority to declare such position vacant if the director shall be absent from three consecutive regular meetings of the Executive Board.

Article VII - Meetings of Executive Board

Section 1. Regular Meetings. Regular meetings of the Executive Board shall be held at such time and place and with such notice as shall be determined by the Executive Board.

Section 2. Special Meetings. Special meetings of the Executive Board shall be held when called by the President or by any two directors, upon not less than three (3) days notice to each director.

Section 3. Quorum; Manner of Acting. 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 Executive Board. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum. The Executive Board may also take action without a meeting by a written consent signed by all of the directors.

Section 4. Waiver of Notice. Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

Article VIII - Powers and Duties of the Executive Board

Section 1. Powers. The Executive Board shall have power to:

(a) adopt and publish rules and regulations governing the Common Elements and improvements thereon, and establish penalties, including reasonable fines, for violations thereof or for any damage thereto;

(b) suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment, fine or other charge levied by the Association;

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;

(d) contract for the maintenance of the Common Elements and any additions thereto, as well as contract for the maintenance of the street lighting described in the Declaration; and

(e) engage attorneys to represent the Association when deemed necessary.

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

(a) cause to be kept a complete record of all of its acts and proceedings of the Executive Board, and present a summary thereof to the Members at the annual meeting of the Members, and at any special meeting when requested in writing by Members with not less than thirty percent (30%) of the votes;

(b) cause the Common Elements and the street lighting to be maintained as provided in the Declaration, and supervise all officers, agents and employees of the Association;

(c) fix the amount of the annual assessment (maximum and actual) against each Lot as provided in the Declaration, cause written notice of each assessment to be sent to every Owner, and take action as necessary to collect any past due assessments;

(d) cause the Association to issue, upon demand by any Owner, a certificate setting forth whether or not any assessment against such Owner's Lot has been paid (a reasonable charge may be made for such certificate);

(e) procure and maintain hazard insurance on the Common Elements and any personal property owned by the Association, and liability insurance covering the Association (the Executive Board may also cause the Association to procure and maintain directors' and officers' liability insurance); and

(f) cause all officers, employees and/or management agents having fiscal responsibilities to be bonded, as it may deem appropriate.

Article IX - Officers and Their Duties

Section 1. Principal Offices. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer. The President and Vice President must be appointed from among the members of the Executive Board. The Secretary and Treasurer may be the same person and need not be members of the Executive Board.

Section 2. Appointment and Term of Principal Officers. The Executive Board shall appoint the principal officers of the Association for a one year term at the first meeting of the Executive Board following each annual meeting of the Members. An officer may be reappointed for successive terms.

Section 3. Duties of Principal Officers. The duties of the officers are as follows:

(a) President. The President shall be the chief executive officer of the Association, preside at all meetings of the Executive Board, and see that actions of the Executive Board are carried out. The President shall sign all contracts and other written instruments on behalf of the Association.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of the absence, inability or refusal to act of the President, and exercise and discharge such other duties as may be required by the Executive Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Executive Board and of the Members, give notice of meetings of the Executive Board and of the Members, and perform such other duties as may be required by the Executive Board.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, disburse such funds as directed by the Executive Board, keep proper books of account, and prepare an annual budget and statement of income and expenditures to be represented to the Members at the annual meeting.

Section 4. Special Appointments. The Executive Board may appoint 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 Executive Board may, from time to time, determine.

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

Section 6. Vacancies. The Executive Board may fill any vacancy in the position of an officer at any time. The person appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Article X - Committees

The Executive Board shall appoint a Nominating Committee, as provided in these Bylaws. The Executive Board may appoint other committees from time to time as it deems appropriate in carrying out its duties and the functions of the Association.

Article XI – Assessments; Annual Budget; Fiscal Year

Section 1. Assessments. As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments, which are secured by a continuing lien upon the Member's Lot. Assessments that are not paid when due shall bear interest and may be subject to late charges. The Association may bring an action at law against the Owner personally obligated or foreclose the lien against the Lot.

Section 2. Annual Budget. Unless otherwise determined by the Executive Board, an annual budget for the Association for the next year shall be presented at the annual meeting of the Members. The budget shall be deemed ratified unless at that meeting Members with a majority of the votes in the Association reject the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Executive Board.

Section 3. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Article XII - Books and Records

The books and records of the Association shall be subject to inspection upon request and reasonable notice by any Member or any Institutional Lender (as that term is defined in the Declaration).

Article XIII - Amendments

Except as otherwise provided herein or by law, the Executive Board may amend these Bylaws at any regular or special meeting of the Executive Board; provided that the notice of the meeting must state that an amendment to the Bylaws will be considered and describe the proposed amendment. Any amendment must be approved by a majority of the directors in office at the time the amendment is adopted. No amendment to these Bylaws that would abridge, amend or modify the rights of Declarant may be adopted or become effective without the prior written consent of Declarant.

Article XIV - Conflicts

In the case of any conflict between the Articles of Incorporation and the Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Certification

I, the undersigned, hereby certify that I am the duly appointed and acting Secretary of Stoneridge at Bent Mountain Property Owners Association, Inc., and that the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted by the Executive Board on _____, 20____.

_____, Secretary